



4474

RECORDATION NO. .... Filed 1425

November 14, 1984

NOV 14 1984 -2 55 PM

INTERSTATE COMMERCE COMMISSION

4-319A032

Honorable James H. Bayne  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

No.

Date NOV 14 1984

Fee \$ 10.00

ICC Washington D.C.

Dear Mr. Bayne:

I submit for filing and recording under 49 U.S.C. Section 110303(a) and the regulations promulgated thereunder, the enclosed certified true copies of a document entitled "Railbox Security Agreement (the "RSA"), dated as of January 1, 1984.

The RSA is a primary document relating to various equipment trusts, conditional sales and lease agreements previously entered into by Railbox Company (formerly American Rail Box Car Company) and others in connection with railroad boxcar financings. Among other things, the RSA provides a lien on the equipment listed in Schedule A attached hereto and all hereafter acquired rolling stock.

Please note this document should be recorded immediately following recordation of another primary document - the Override and Security Agreement - submitted for recordation this day under separate cover.

Certain Parties to this transaction are as follows:

Railbox Company (Grantor/Mortgagor)  
101 North Wacker Drive  
Chicago, IL 60606

First Illinois Bank of  
Evanston, N.A. (Grantee/Mortgagee)  
as Owner-Trustees  
800 Davis Street  
Evanston, IL 60204

NOV 14 2 32 PM '84

First Security Bank of Utah,  
National Association (Grantee/Mortgagee)  
as Owner-Trustees  
79 South Main Street  
Salt Lake City, UT 84111

The Connecticut Bank and Trust  
Company, National Association (Grantee/Mortgagee)  
as an Owner-Trustee  
One Constitution Plaza  
Hartford, CT 06115

First Security State Bank (Grantee/Mortgagee)  
as an Owner-Trustee  
79 South Main Street  
Salt Lake City, UT 84111

The equipment covered by the RSA and which is subject to this recordation is as listed in the attached Schedule A.

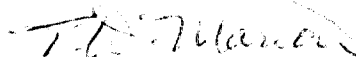
Enclosed is a check in the amount of \$10.00 to pay the recording fee for the instant document. There have been no prior recordation numbers issued respecting this RSA being filed.

A short summary of the document to appear in the Index is as follows:

"Railbox Security Agreement; provides lien on equipment listed in Schedule A attached to Transmittal Letter and all hereafter acquired rolling stock."

Once the filing has been made, please keep for your files one executed counterpart and return to bearer the remaining stamped counterparts, together with the fee receipt, the letter from the ICC acknowledging filing and the three extra copies of this letter of transmittal.

Very truly yours,



T. D. Marion  
Assistant Treasurer

TDM/cat  
Enclosures

RAILBOX COMPANY  
SCHEDULE A

Car Type	AAR Mechanical Designation	No. of Units	Reporting Marks	Car No's	Financing Reference			
50'6", 70-ton capacity boxcar	XM	6	RBOX	1000 - 1005	Free of Lien Cars			
		4	RBOX	1011 - 1014				
		3	RBOX	1017 - 1019				
		5	RBOX	1026 - 1030				
		1	RBOX	1032				
		7	RBOX	1033 - 1039				
		7	RBOX	1043 - 1049				
		48	RBOX	1500 - 1547				
		6	RBOX	2500 - 2505				
		Total Free of Lien Cars:		<u>87</u>				
50'6", 70-ton capacity boxcar	XM	11	RBOX	20400-20410	Trust Equipment ETA #1			
		111	RBOX	20412-20522				
		207	RBOX	20524-20730				
		83	RBOX	20732-20814				
		17	RBOX	20816-20832				
		66	RBOX	20834-20899				
		206	RBOX	30000-30205				
		15	RBOX	30207-30221				
		85	RBOX	30223-30307				
		68	RBOX	30309-30376				
		<u>122</u>	RBOX	30378-30499				
		<u>991</u>						
		50'6", 70-ton capacity boxcar	XM	150		ABOX	50000-50149	Trust Equipment ETA #2
				26		ABOX	50400-50425	
40	ABOX			50427-50466				
86	ABOX			50468-50553				
18	ABOX			50555-50572				
50	ABOX			50574-50623				
171	ABOX			50625-50795				
75	ABOX			50797-50871				
122	ABOX			50873-50994				
4	ABOX			50996-50999				
<u>742</u>								
50'6", 70-ton capacity boxcar	XM			5	RBOX	1006 - 1010	Trust Equipment ETA #3	
		1	RBOX	1016				
		6	RBOX	1020 - 1025				
		3	RBOX	1040 - 1042				
		51	RBOX	30500-30550				
		65	RBOX	30552-30616				
		148	RBOX	30618-30765				

<u>Car Type</u>	<u>AAR Mechanical Designation</u>	<u>No. of Units</u>	<u>Reporting Marks</u>	<u>Car No's</u>	<u>Financing Reference</u>
		25	RBOX	30767-30791	Trust Equipment ETA #3 (Continued)
		293	RBOX	30793-31085	
		3	RBOX	31087-31089	
		62	RBOX	31091-31152	
		44	RBOX	31154-31197	
		21	RBOX	31199-31219	
		179	RBOX	31221-31399	
		18	RBOX	34100-34117	
		57	ABOX	50150-50206	
		18	ABOX	50208-50225	
		8	ABOX	50227-50234	
		56	ABOX	50236-50291	
		30	ABOX	50293-50322	
		56	ABOX	50324-50379	
		19	ABOX	50381-50399	
		135	ABOX	51000-51134	
		<u>1,303</u>			
50'6", 70-ton capacity boxcar	XM	239	RBOX	31400-31638	Trust Equipment ETA #4
		52	RBOX	31640-31691	
		41	RBOX	31693-31733	
		119	RBOX	31735-31853	
		27	RBOX	32250-32276	
		172	RBOX	32278-32449	
		40	RBOX	34118-34157	
		84	RBOX	34159-34242	
		40	ABOX	51135-51174	
		36	ABOX	51176-51211	
		123	ABOX	51213-51335	
		34	ABOX	51337-51370	
		445	ABOX	51372-51816	
		<u>1,452</u>			
50'6", 70-ton capacity boxcar	XM	1	RBOX	33555	Trust Equipment ETA #5
		43	RBOX	33557-33599	
		27	RBOX	33600-33626	
		38	RBOX	33628-33665	
		6	RBOX	33667-33672	
		1	RBOX	33674	
		1	RBOX	33676	
		5	RBOX	33678-33682	
		5	RBOX	33684-33688	
		1	RBOX	33690	
		3	RBOX	33692-33694	
		5	RBOX	33696-33700	
		1	RBOX	33702	
		23	RBOX	33704-33726	
		12	RBOX	33728-33739	

<u>Car Type</u>	<u>AAR Mechanical Designation</u>	<u>No. of Units</u>	<u>Reporting Marks</u>	<u>Car No's</u>	<u>Financing Reference</u>
		20	RBOX	33741-33760	Trust Equipment
		76	RBOX	33762-33837	ETA #5
		59	RBOX	33839-33897	(Continued)
		62	RBOX	33899-33960	
		48	RBOX	33962-34009	
		3	RBOX	34011-34013	
		5	RBOX	34015-34019	
		13	RBOX	34022-34034	
		13	RBOX	34036-34048	
		10	RBOX	34050-34059	
		4	RBOX	34061-34064	
		7	RBOX	34066-34072	
		10	RBOX	34074-34083	
		5	RBOX	34086-34090	
		1	RBOX	34092	
		1	RBOX	34095	
		3	RBOX	34097-34099	
		1	RBOX	35000	
		379	RBOX	35002-35380	
		324	RBOX	35382-35705	
		42	RBOX	35707-35748	
		<u>1,258</u>			
50'6", 70-ton capacity boxcar	XM	1	RBOX	33627	Trust Equipment
		1	RBOX	33666	ETA #6A
		1	RBOX	33673	
		1	RBOX	33675	
		1	RBOX	33677	
		1	RBOX	33683	
		1	RBOX	33689	
		1	RBOX	33695	
		1	RBOX	33701	
		1	RBOX	33703	
		1	RBOX	33740	
		1	RBOX	33838	
		1	RBOX	33961	
		1	RBOX	34010	
		1	RBOX	34014	
		2	RBOX	34020-34021	
		1	RBOX	34035	
		1	RBOX	34049	
		1	RBOX	34060	
		1	RBOX	34065	
		1	RBOX	34073	
		2	RBOX	34084-34085	
		1	RBOX	34091	
		2	RBOX	34093-34094	
		1	RBOX	34096	
		43	RBOX	35750-35792	

<u>Car Type</u>	<u>AAR Mechanical Designation</u>	<u>No. of Units</u>	<u>Reporting Marks</u>	<u>Car No's</u>	<u>Financing Reference</u>
		329	RBOX	35794-36122	Trust Equipment ETA #6A (Continued)
		233	RBOX	37750-37982	
		46	RBOX	37984-38029	
		50	RBOX	40200-40249	
		28	RBOX	40564-40591	
		236	RBOX	40593-40828	
		96	RBOX	40830-40925	
		97	RBOX	40927-41023	
		45	RBOX	41025-41069	
		107	RBOX	41071-41177	
		221	RBOX	41179-41399	
		356	RBOX	43350-43705	
		57	RBOX	43707-43763	
		185	RBOX	43765-43949	
		<u>2,157</u>			
50'6", 70-ton capacity boxcar	XM	287	RBOX	40250-40536	Trust Equipment ETA #6B
		26	RBOX	40538-40563	
		<u>313</u>			
50'6", 70-ton capacity boxcar	XM	120	RBOX	2000 - 2119	Trust Equipment CSA-INA
		5	RBOX	2121 - 2125	
		18	RBOX	2127 - 2144	
		6	RBOX	2148 - 2153	
		<u>149</u>			
Total Trust Equipment:		<u>8,365</u>			
Total Schedule A:		<u>8,452</u>			

**Interstate Commerce Commission**  
Washington, D.C. 20423

11/14/84

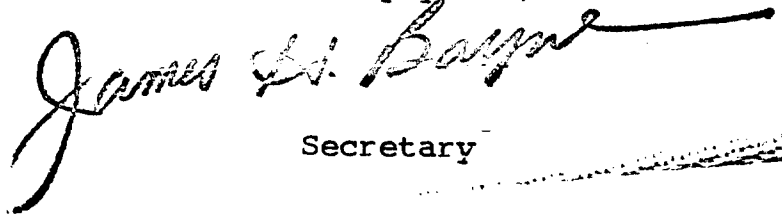
OFFICE OF THE SECRETARY

T.D. Marion  
Railbox Company  
101 North Wacker Drive  
Chicago, Illinois 60606

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 11/14/84 at 2:35pm and assigned re-recording number(s). 14474

Sincerely yours,

  
Secretary

Enclosure(s)

14474

RECORDATION NO. .... Filed 1425

NOV 14 1984 -2 55 PM

INTERSTATE COMMERCE COMMISSION

RAILBOX SECURITY AGREEMENT

among

RAILBOX COMPANY,

TRAILER TRAIN COMPANY,

The Persons Defined as Owners Pursuant to the  
Provisions of the Override and Security Agreement,  
FIRST ILLINOIS BANK OF EVANSTON, N.A.. as Owner-Trustees,

FIRST SECURITY BANK OF UTAH,  
NATIONAL ASSOCIATION,  
as Owner-Trustees,

THE CONNECTICUT BANK AND TRUST COMPANY,  
NATIONAL ASSOCIATION, as an Owner-Trustee

and

FIRST SECURITY STATE BANK,  
as an Owner-Trustee

Dated as of January 1, 1984



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Lenders

Owners

Agents

Owner-Trustees

Builders

Conditional Sale Agreements

Assignments of Lease and Agreements

Agreement and Assignments

Leases

Consents and Agreements

Trust Agreements

## RAILBOX SECURITY AGREEMENT

RAILBOX SECURITY AGREEMENT, dated as of January 1, 1984, by and among RAILBOX COMPANY, a Delaware corporation ("Railbox"), TRAILER TRAIN COMPANY, a Delaware corporation ("Trailer Train"), the parties defined as Owners pursuant to the provisions of the Override and Security Agreement (each an "Owner" and collectively the "Owners"), and FIRST ILLINOIS BANK OF EVANSTON, N.A., formerly known as FIRST NATIONAL BANK AND TRUST COMPANY OF EVANSTON, a national banking association, as trustee under each of the agreements listed on subschedules 2A and 2B hereto, FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, a national banking association, as trustee under each of the agreements listed on subschedules 2C, 2D, and 2E hereto, THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, as trustee under each of the agreements listed on subschedule 2F hereto, and FIRST SECURITY STATE BANK, a Utah banking corporation, as trustee under each of the agreements listed on subschedule 2G hereto (each an "Owner-Trustee" and collectively the "Owner-Trustees").

### RECITALS

A. Pursuant to the provisions of the Override and Security Agreement, dated as of the date hereof, by and among Mercantile-Safe Deposit and Trust Company ("the Lender Trustee") as the ETC Trustees, the Agents, and as agent for the ETC Trustees

and the Agents, all as more fully described therein, Trailer Train, Railbox, and the Owner-Trustees (the "Override and Security Agreement"), the parties hereto have agreed to execute and deliver this Railbox Security Agreement.

B. Trailer Train is the record and beneficial owner of all the issued and outstanding shares of capital stock of Railbox.

C. Railbox is in default in the payment of its long term debt and lease obligations under the Financing Agreements.

D. Railbox and Trailer Train desire that each Owner-Trustee forbear and not exercise any of the remedies available to it under the Lease to which it is a party which have arisen as a result of the failure of Railbox to make payments to such Owner-Trustee under such Lease.

E. In order to induce the Lenders to agree to forbear from or cause the forbearance of the exercise of any remedy under the Financing Agreements against Railbox, any Owner or any Owner-Trustee, each Owner will make loans to Railbox or will make payments in respect of the Railbox Certificates pursuant to the applicable provisions of the Revolving Credit Agreement and the Railbox Lender Participation and Trust Agreement, respectively.

F. It is a condition precedent to the Owner-Trustees entering into the Override and Security Agreement and the Owners and Owner-Trustees entering into the other Ancillary Agreements to which they are parties that (i) Trailer Train execute and

deliver this Railbox Security Agreement and grant to the Owners and Owner-Trustees an interest in and to the Pledged Securities and the Proceeds, and (ii) Railbox execute and deliver this Railbox Security Agreement and grant to the Owners and Owner-Trustees a security interest in and to the Collateral, to secure the Railbox-Owner Obligations (as hereinafter defined).

G. This Railbox Security Agreement sets forth the terms and conditions under which Trailer Train is granting to the Owners and Owner-Trustees a Lien on, in, and to the Pledged Securities and the Proceeds, and Railbox is granting to the Owners and Owner-Trustees a Lien on, in, and to the Collateral.

H. This Railbox Security Agreement sets forth the priority of payments of Railbox Cash to be made by Railbox to the Owners, Owner-Trustees, and Trailer Train after the Termination Date.

I. This Railbox Security Agreement sets forth the priority of security interests granted by Railbox and Trailer Train in and to the Collateral, the Pledged Securities, and the Proceeds to the Lender Trustee as agent for the ETC Trustees and the Agents, the Owners, Owner-Trustees, and any other Person.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the parties hereto agree as follows:



1. Defined Terms. Unless otherwise defined herein, terms defined in the Override and Security Agreement and in the Ancillary Agreements shall have such defined meanings when used herein. This is the Railbox Security Agreement referred to in the Override and Security Agreement and in the Ancillary Agreements. The following terms for all purposes of this Railbox Security Agreement shall have the respective meanings hereinafter specified:

Basic Rentals shall have the meaning ascribed to it in Section 3 of the applicable Lease to which a reference thereto is made.

Casualty Occurrences shall have the meaning ascribed to it in Section 7 of the applicable Lease to which a reference thereto is made.

Casualty Payments shall have the meaning ascribed to it in Section 10.08 hereof.

Current Owner Rent shall mean on any Payment Date which occurs after the Termination Date and

(i) during the initial term or first renewal term of any Lease, an amount equal to the product of (A) the applicable Rental Factor on such Payment Date and (B) the Equipment Cost for the Leased Equipment subject to such Lease as of such Payment Date;

(ii) during the second renewal term of any Lease as delineated in Section 13 thereof, an amount equal to (A) the aggregate amount of rent which accrues to such Owner-Trustee from Railbox during such second renewal term pursuant to Section 13 thereof from the termination of the first renewal term of such Lease divided by (B) the total number of months, or part thereof, from the termination of the first renewal term of such Lease until the termination of such second renewal term of such Lease pursuant to Section 13 thereof; and

(iii) during the third renewal term of any Lease as set forth in Section 13 thereof, an amount equal to (A) the aggregate amount of rent which accrues to such Owner-Trustee from Railbox during such third renewal term pursuant to Section 13 thereof from the termination of the second renewal term of such Lease divided by (B) the total number of months, or part thereof, from the termination of the second renewal term of such Lease until the termination of such third renewal term of such Lease pursuant to Section 13 thereof.

For purposes of this definition, (i) "accrues" shall mean that amount of renewal rentals that an Owner-Trustee would have been paid under the Lease to which it is a party, regardless of when such renewal rentals were due or to be paid under such Lease and (ii) all amounts shall be determined (A) without

giving effect to any defaults under the Financing Agreements, and (B) without duplication, after adjustment for all payments on account of Casualty Occurrences made after January 1, 1984, to such Payment Date as specified in Section 7 of such Lease.

Default Event shall have the meaning ascribed to it in Section 18 hereof.

Deferred Current Owner Rent shall mean, without duplication, as to each Owner-Trustee under any Lease to which it is a party, the sum of (i) Current Owner Rent, if any, which accrues to such Owner-Trustee after the Termination Date and which is not paid when due, and (ii) interest at the rate of 9% per annum on the unpaid balances specified in clause (i) above from time to time outstanding.

For purposes of this definition, all amounts shall be determined (i) without giving effect to any defaults under the Financing Agreements, and (ii) without duplication, after adjustment for all payments on account of Casualty Occurrences made after January 1, 1984, to such Payment Date as specified in Section 7 of such Lease.

Deferred Owner Rent shall mean as to each Owner-Trustee under any Lease to which it is a party, the sum of (i) all Basic Rentals and any renewal rentals under any renewal term of such Lease which accrues pursuant to Sections 3 and 13 of such Lease prior to the Termination Date minus all such Basic Rentals and

renewal rentals that were to be paid to and retained by the Agent corresponding to such Owner-Trustee under such Lease pursuant to the provisions of paragraph 1 of the Assignment of Lease and Agreement corresponding to such Lease, (ii) all other Indebtedness of Railbox which accrues to such Owner-Trustee pursuant to the provisions of such Lease (excluding any interest due for late payments) prior to the Termination Date, and (iii) interest on and after the Termination Date at the rate of 9% per annum on the unpaid balances specified in clause (i) above from time to time outstanding.

For purposes of this definition, (i) "accrues" shall mean that amount of Basic Rentals, renewal rentals, or Indebtedness, recalculated on a monthly basis, that an Owner-Trustee would have been paid under the Lease to which it is a party, regardless of when such Basic Rentals, renewal rentals, or Indebtedness were due or to be paid under such Lease and (ii) all amounts shall be determined (A) without giving effect to any defaults under the Financing Agreements, and (B) without duplication, after adjustment for all payments on account of Casualty Occurrences made after January 1, 1984, to such Payment Date as specified in Section 7 of such Lease.

Deferred Owner Rent Fraction shall mean a fraction, the numerator of which is the principal amounts due to all the Owner-Trustees with respect to Deferred Owner Rent, and the denominator of which is the sum of (i) the principal amounts due to all the Owner-Trustees with respect to Deferred Owner Rent,

(ii) the Trailer Train Guaranty Principal Balance, and (iii) the principal amounts due in respect to the Trailer Train Secured Notes.

Equipment Cost shall mean the aggregate Purchase Price (as that term is defined in Article 4 of the applicable Conditional Sale Agreement corresponding to the applicable Financing Agreement to which a reference to Equipment Cost is made) of the Leased Equipment subject to the applicable Lease to which a reference to Equipment Cost is made, with adjustment for all payments on account of Casualty Occurrences as specified in Section 7 of such Lease.

Owner Nominee shall mean the Owners and Owner-Trustees holding a majority in the aggregate of the Railbox-Owner Obligations arising solely from the Owner Payment Balance, Deferred Current Owner Rent and Deferred Owner Rent or shall mean such Person appointed by the Owners, as agent for the Owners and Owner-Trustees, pursuant to the provisions of Section 30 hereof to (i) on and after the Termination Date, receive upon the transfer of and hold pursuant to the terms of this Railbox Security Agreement (A) the Pledged Securities from the Lender Trustee as agent for the ETC Trustees and the Agents pursuant to the provisions of Sections 2, 10, and 11 of the Stock Pledge Agreement, (B) all Collateral held by the Owner-Trustees or any Agent or ETC Trustee, or the Lender Trustee as agent for the ETC Trustees and the Agents under the terms of the Override and Security Agreement, the Ancillary Agreements, the Financing

Agreements, any other agreement contemplated hereby or thereby or otherwise, and (C) all collateral, documents, instruments, papers, leases, or proceeds to be delivered by the Lender Trustee as agent for the ETC Trustees and the Agents to the Owner Nominee, pursuant to the Override and Security Agreement, any Ancillary Agreement, any other agreement contemplated hereby or thereby, or otherwise, including, without limitation, the assignment of the documentation and proceeds of the cash collateral account referred to in subsection 8.04(c) of the Override and Security Agreement and (ii) exercise any right, remedy or power of any Owner or Owner-Trustee hereunder as directed by the Owners or Owner-Trustees pursuant to the provisions of Section 30 hereof.

Owner Subordinated Payment Balance shall mean the aggregate amount paid by the Owners pursuant to the provisions of Section 4.03 of the Railbox Lender Participation and Trust Agreement less all payments made by Railbox to the Owners entitled thereto in respect of this obligation; provided, however, that any portion of a payment in respect of such payments made by the Owners shall not be deemed to have been made by Railbox to the Owners if returned to Railbox for any reason whatsoever (including, without limitation, the insolvency, bankruptcy or reorganization of Railbox).

Railbox-Owner Obligations shall mean all Indebtedness, liabilities, and obligations of Railbox to the Owners and the Owner-Trustees, whether now existing or hereafter arising, or due or to become due, and howsoever created, evidenced, owned, held, or acquired, including, without limitation, the Current

Owner Rent, the Deferred Current Owner Rent, the Deferred Owner Rent, the Owner Payment Balance, the Owner Subordinated Payment Balance and any and all Indebtedness, liabilities, and obligations of Railbox to any Owner, any Owner-Trustee, or the Owner Nominee pursuant to the provisions of this Railbox Security Agreement, the Override and Security Agreement, the other Ancillary Agreements, the Financing Agreements, any other agreement contemplated hereby or thereby, or otherwise.

Railbox-Trailer Train Secured Obligations shall mean the sum of (i) the Trailer Train Guaranty Principal Balance, (ii) the Trailer Train Guaranty Interest Balance, and (iii) the amount due and owing to Trailer Train under the Trailer Train Secured Note.

Railbox-Trailer Train Secured Obligations Fraction shall mean a fraction, the numerator of which is the sum of (i) the Trailer Train Guaranty Principal Balance and (ii) the principal amounts due to Trailer Train under the Trailer Train Secured Note, and the denominator of which is the sum of (i) the principal amounts due to all the Owner-Trustees with respect to Deferred Owner Rent, (ii) the Trailer Train Guaranty Principal Balance, and (iii) the principal amounts due to Trailer Train under the Trailer Train Secured Note.

Rental Factor shall have the meaning ascribed to it on Schedule 1 to this Railbox Security Agreement.

Other Definitions.

The words herein, hereof, hereto, hereunder, and words of similar import refer to this Railbox Security Agreement as

a whole and not to any particular Article, Section, subsection, or subdivision hereof and all references to numbered Articles, Sections, subsections, and subdivisions, unless the context otherwise requires or unless the references thereto specify another agreement, refer to such Articles, Sections, subsections, and subdivisions of this Railbox Security Agreement.

As used herein, an Agent, ETC Trustee, Owner-Trustee, Owner, and Financing Agreement shall be considered corresponding if identified together in Schedule 3 to the Override and Security Agreement or in the same subschedule of Schedule 1 to the Override and Security Agreement or Schedule 2 hereto.

Each accounting term used herein, but not specifically defined herein, shall have the meaning ascribed to it under generally accepted accounting principles.

2. Grants of Security Interests. As security for the prompt payment and performance to the Owners and/or the Owner-Trustees of the Railbox-Owner Obligations' (i) Railbox hereby grants to the Owners and Owner-Trustees, subject to the provisions of Section 3 hereof, a continuing Lien on, in, and to the Collateral (including, without limitation, insurance proceeds) and (ii) Trailer Train hereby pledges to the Owners and Owner-Trustees, and hereby grants to the Owners and Owner-Trustees, subject to the provisions of the Stock Pledge Agreement and Section 3 hereof, a security interest in and to the Pledged Securities and the Proceeds. Except to the extent the Pledged Securities and the Proceeds were used and applied against the payment of the Obligations, on the Termination Date Trailer



Train shall cause any and all holders of the Pledged Securities and the Proceeds, including, without limitation, any and all holders of the Pledged Securities pursuant to the Stock Pledge Agreement, at that time to deposit with the Owner Nominee, the Pledged Securities and the Proceeds. The certificates for the shares of the Pledged Securities to be pledged and deposited hereunder and any additional shares of Pledged Securities to be deposited and pledged hereunder shall be accompanied by stock powers duly executed in blank by Trailer Train. The Owner Nominee may cause any or all of the Pledged Securities to be transferred into its name or into the name of a nominee or nominees.

3. Subordination and Priorities. Notwithstanding anything to the contrary contained in or arising under the Railbox-Owner Obligations, the Trailer Train Secured Note, or the Indebtedness of Railbox to Trailer Train described on Schedule 12 to the Override and Security Agreement, in this Railbox Security Agreement, in the Override and Security Agreement, in the Ancillary Agreements, in the Financing Agreements, in any other agreement contemplated hereby or thereby, or otherwise, including, without limitation, the time or order of, or the execution and delivery of any document purporting to create, the time or order of attachment of or any prior perfection of a Lien by or in favor of any Owner, any Owner-Trustee, the Owner Nominee, or Trailer Train or the existence of any present or future filing of a Financing Statement or continuation statement by any Owner,

any Owner-Trustee, the Owner Nominee, or Trailer Train under the UCC or any other applicable law, the parties hereto agree that:

(a) subject to the provisions of Section 4.05 of the Railbox Lender Participation and Trust Agreement and subsection 4.08(b) of the Override and Security Agreement, all Liens of the Lender Trustee as agent for the ETC Trustees and the Agents now or hereafter existing in and to the Collateral, the Pledged Securities, and the Proceeds shall be superior and prior in right to any Lien of the Owners, Owner-Trustees, or Trailer Train now or hereafter existing in and to any such property and all Liens and interests of the Owners, Owner-Trustees, and Trailer Train now or hereafter existing in and to such property shall be subject, subordinate, and junior to the Liens of the Lender Trustee as agent for the ETC Trustees and the Agents in and to the Collateral, the Pledged Securities, and the Proceeds in all respects;

(b) subject only to (i) the provisions of Section 19(d) of this Railbox Security Agreement and (ii) any payments made prior to the occurrence of a Default Event to Trailer Train pursuant to Section 16 hereof, all Liens of the Owners and Owner-Trustees now or hereafter existing in and to the Collateral, the Pledged Securities, and the Proceeds, shall be superior and prior in right to any Lien or interest of Trailer Train now or hereafter existing in and to such property and all Liens and interests of Trailer Train now or hereafter existing in and to such property shall be subject, subordinate, and junior to the Liens of the Owners and Owner-Trustees in and to the Collateral, the Pledged Securities, and the Proceeds in all respects;

(c) Until the Termination Date but subject to the provisions of Sections 4.01 and 4.05 of the Railbox Lender Participation and Trust Agreement, subsection 4.08(b) of the Override and Security Agreement, and Section 2.03 of the Revolving Credit Agreement, each Owner, each Owner-Trustee, and the Owner Nominee (i) agrees that it will not take any action, including, without limitation, the commencement of any lawsuit or any resort to any collateral or guarantee, towards the collection of any or all of the Railbox-Owner Obligations contrary to, inconsistent with, or in violation of the priority of Liens and subordination with respect to the ETC Trustees, the Agents, and the Lender Trustee as agent for the ETC Trustees and the Agents as set forth herein and in the Override and Security Agreement with respect to the Leased Equipment, the Collateral, the Pledged Securities, and the Proceeds, (ii) agrees that it will not exercise any rights, powers, privileges, or remedies, hereunder, under any Financing Agreement, or arising by operation of law or otherwise contrary to, inconsistent with, or in violation of the priority of Liens and subordination with respect to the ETC Trustees, the Agents, and the Lender Trustee as agent for the ETC Trustees and the Agents as set forth herein and in the Override and Security Agreement with respect to the Leased Equipment, the Collateral, the Pledged Securities, and the Proceeds, (iii) acknowledges and agrees that the ETC Trustees, the Agents, and the Lender Trustee as agent for the ETC Trustees and the Agents shall have the exclusive right to commence, direct, and control the sale or

other disposition of the Leased Equipment, the Collateral, the Pledged Securities, and the Proceeds after the occurrence of an Event of Default; provided that, the ETC Trustees, the Agents, and the Lender Trustee as agent for the ETC Trustees and the Agents act in good faith in commencing, directing, and conducting such sale or other disposition and such sale or other disposition is in accordance with the provisions of the Override and Security Agreement, of the applicable Ancillary Agreements, of the applicable Financing Agreements, and of any other agreement contemplated hereby or thereby, and (iv) shall not take any action inconsistent with the exclusive right to commence, direct, and control any such sale or other disposition of the Leased Equipment, the Collateral, the Pledged Securities, and the Proceeds by the ETC Trustees, the Agents, and the Lender Trustee as agent for the ETC Trustees and the Agents.

(d) until the date at which the Railbox-Owner Obligations is zero, Trailer Train shall not take any action towards the collection of all or any portion of the Indebtedness of Railbox to Trailer Train except pursuant to the provisions of Section 5.04 of the Override and Security Agreement and shall not exercise any rights, powers, privileges, or remedies whether as set forth hereunder, under the Override and Security Agreement, under the Ancillary Agreements, under any other agreement contemplated hereby or thereby, or otherwise, or as set forth in the Trailer Train Secured Note, in any instrument or document in respect of the Indebtedness of Railbox to Trailer Train described

on Schedule 12 to the Override and Security Agreement, or arising by operation of law or otherwise as the same may relate to the Trailer Train Secured Note or the Indebtedness of Railbox to Trailer Train described in such Schedule 12, including, without limitation, the acceleration of the maturity of the Trailer Train Secured Note, the commencement of any lawsuit, or any resort to any collateral or guaranty given as security for such Indebtedness;

(e) Trailer Train shall pay the Indebtedness of Railbox to third parties described on Schedule 12 to the Override and Security Agreement to such third parties when and as the same shall become due and payable and hereby subordinates any rights, powers, privileges, and remedies that it has or might have against Railbox or any other Person as a result of making such payments to such third parties to the rights, powers, privileges, and remedies of the Owners and the Owner-Trustees pursuant to the provisions contained in this Section 3 or under applicable law;

(f) subject to the provisions of Sections 4.05 and 5.06 of the Railbox Lender Participation and Trust Agreement and subsection 4.08(b) of the Override and Security Agreement, upon any distribution of assets of Railbox or upon any dissolution, winding up, liquidation, reorganization, recapitalization, or readjustment of Railbox or the Pledged Securities (whether in bankruptcy, insolvency, receivership, or foreclosure proceedings, upon an assignment for the benefit of creditors, as a result of

any other arrangement for the marshalling of the assets and liabilities of Railbox, or otherwise) (i) the Lender Trustee as agent for the ETC Trustees and the Agents from the Leased Equipment, the Collateral, the Pledged Securities, and the Proceeds shall first receive all payments to which it is entitled pursuant to the Railbox Certificates and the Financing Agreements as modified by the Override and Security Agreement and the Ancillary Agreements, or have provision satisfactory to it made for all such payments of the principal, interest, and any other amounts due in respect of the Railbox Certificates (including interest thereon accruing after the commencement of any such proceedings) before the Owners or Owner-Trustees shall be entitled to receive from the Leased Equipment, the Collateral, the Pledged Securities, and the Proceeds any payment or distribution in respect of the Railbox-Owner Obligations, any Indebtedness of Railbox to the Owners and Owner-Trustees, including, without limitation, any principal interest, or any other amount due and payable in respect thereof, and the Owners and Owner-Trustees, subject to the provisions of Sections 19, 20 and 21 hereof, next shall be entitled to receive from the Leased Equipment, the Collateral, the Pledged Securities, and the Proceeds all payments and distributions until the Railbox-Owner Obligations are fully paid before Trailer Train shall be entitled to receive any payment or distribution from the Collateral, the Pledged Securities, and the Proceeds in respect of any Indebtedness of Railbox to

Trailer Train, including, without limitation, principal, interest, or any other amount due and payable in respect of the Trailer Train Secured Note, the Trailer Train Guaranty Interest Balance, the Trailer Train Guaranty Principal Balance, or the Indebtedness of Railbox to Trailer Train described in Schedule 12 to the Override and Security Agreement, (ii) any payment or distribution of assets of Railbox of any kind or character, whether in cash, securities, or other property, to which the Owners or Owner-Trustees would be entitled except for the provisions of this Railbox Security Agreement, the Override and Security Agreement, the Revolving Credit Agreement, the Stock Pledge Agreement, and the Railbox Lender Participation and Trust Agreement, shall be paid by any trustee or other Person making such payment or distribution directly to the Lender Trustee as agent for the ETC Trustees and the Agents to be applied on account of the Railbox Certificates pro rata, based upon outstanding principal on the Railbox Certificates to the extent necessary to make all payments to which the Lender Trustee as agent for the ETC Trustees and the Agents and as the holder of the Railbox Certificates is entitled pursuant to the Railbox Certificates and the Financing Agreements as modified by the Override and Security Agreement and the Ancillary Agreements and thereafter such payment or distribution, subject only to the provisions of Section 19 hereof, shall be paid directly to the Owners and Owner-Trustees or the Owner Nominee, to the extent necessary to make payment in full of the

Railbox-Owner Obligations, and (iii) any payment or distribution of assets of Railbox of any kind or character, whether in cash, securities, or other property, to which Trailer Train or Railbox would be entitled but for the provisions hereof, shall be paid by any trustee or other Person making such payment or distribution directly to the Lender Trustee as agent for the ETC Trustees and the Agents to the extent necessary to make all payments to which the Lender Trustee as agent for the ETC Trustees and the Agents and as the holder of the Railbox Certificates is entitled pursuant to the Railbox Certificates and the Financing Agreements as modified by the Override and Security Agreement and the Ancillary Agreements and thereafter such payment or distribution, subject to the provisions of Section 19 hereof, shall be paid directly to the Owners and Owner-Trustees or the Owner Nominee to the extent necessary to make payment in full of the Railbox-Owner Obligations;

(g) if (i) the Lender Trustee as agent for the ETC Trustees and the Agents and as the holder of the Railbox Certificates has not received all payments to which it is entitled pursuant to the Railbox Certificates and the Financing Agreements as modified by the Override and Security Agreement and the Ancillary Agreements and (ii) any payment or distribution of any portion of the Collateral, the Pledged Securities, or the Proceeds is received or collected by the Owner Nominee or any Owner or Owner-Trustee, whether in cash, securities, or other property, to



which such Person is not entitled under the provisions of this Railbox Security Agreement, the Override and Security Agreement, the Revolving Credit Agreement, the Stock Pledge Agreement, or the Railbox Lender Participation and Trust Agreement, then the Owner Nominee or such Owner or Owner-Trustee will immediately deliver such amounts or property, in precisely the form received by such Person to the Lender Trustee as agent for the ETC Trustees and the Agents to be applied in accordance with the Override and Security Agreement, and such Person agrees that until so delivered to the Lender Trustee as agent for the ETC Trustees and the Agents, any such amount or property shall be deemed received by such Person as agent for the Lender Trustee (as agent for the ETC Trustees and the Agents) and shall be held in trust by such Person as the property of the Lender Trustee as agent for the ETC Trustees and the Agents, and in the event of the failure of such Person to endorse any instrument for the payment of money so received by such Person payable to the order of such Person, the Lender Trustee (as agent for the ETC Trustees and the Agents) is hereby constituted and appointed attorney-in-fact for such Person with full power of substitution to make any such endorsement, such appointment being coupled with an interest and irrevocable without the prior written consent of the Lender Trustee as agent for the ETC Trustees and the Agents;

(h) if, at any time after the Termination Date, Trailer Train receives or collects any payment or distribution of

any portion of the Pledged Securities, the Proceeds, the Leased Equipment, or the Collateral for or on account of the Trailer Train Secured Note, the Trailer Train Guaranty Interest Balance, the Trailer Train Guaranty Principal Balance, or the Indebtedness described in Schedule 12 to the Override and Security Agreement, whether in cash, securities, or other property, which Trailer Train is not entitled to receive under the provisions of this Railbox Security Agreement, under the Override and Security Agreement, or under any applicable Ancillary Agreement, Trailer Train will immediately deliver such amounts or property to the Owners and Owner-Trustees or the Owner Nominee for application on account of the Railbox-Owner Obligations, in precisely the form received by Trailer Train, and Trailer Train agrees that until so delivered, any such amounts or property shall be deemed received by Trailer Train as agent for the Owners and Owner-Trustees and shall be held in trust by Trailer Train as the property of the Owners and Owner-Trustees, and in the event of the failure of Trailer Train to endorse any instrument for the payment of money or property so received by Trailer Train payable to the order of Trailer Train, the Owner Nominee is hereby irrevocably constituted and appointed attorney-in-fact for Trailer Train with full power of substitution to make any such endorsement, such appointment being coupled with an interest and irrevocable without the prior written consent of the Owner Nominee;

(i) subject to the provisions of Section 5.06 of the Railbox Lender Participation and Trust Agreement and except as provided in Article Four of the Railbox Lender Participation and

Trust Agreement, in Section 2.03 of the Revolving Credit Agreement, and in subsection 4.08(b) of the Override and Security Agreement, the right and claim of the Owners and the Owner-Trustees to receive payment from the Leased Equipment, the Collateral, the Pledged Securities, and the Proceeds in respect of the Railbox-Owner Obligations shall be subordinate and junior, in all respects, to the rights of the Lender Trustee as agent for the ETC Trustees and the Agents and as the holder of the Railbox Certificates to receive all payments to which it is entitled pursuant to the Railbox Certificates and the Financing Agreements as modified by the Override and Security Agreement and the Ancillary Agreements. Without limiting the effect of the foregoing, until the Lender Trustee as agent for the ETC Trustees and the Agents and as the holder of the Railbox Certificates has received all payments to which it is entitled pursuant to Article 5 of the Railbox Lender Participation and Trust Agreement, no payment from the Leased Equipment, the Collateral, the Pledged Securities, and the Proceeds to any Owner or Owner-Trustee or the Owner-Nominee in respect of the Railbox-Owner Obligations shall be made by Railbox or Trailer Train and no such payment from the Leased Equipment, the Collateral, the Pledged Securities, and the Proceeds shall be received, accepted, or retained by such Owner or Owner-Trustee or the Owner Nominee.

(j) each of Trailer Train and Railbox will cause the Trailer Train Secured Note to contain a statement or legend to the effect that the rights of the holders of such instruments are subject to the terms and conditions of this Railbox Security

Agreement, and Trailer Train will furnish to the Owners and Owner-Trustees copies of each such instrument containing such statement or legend;

(k) Each Owner, each Owner-Trustee, the Owner Nominee, Trailer Train, and Railbox agree that the Indebtedness of Railbox or of any other Person to the ETC Trustees, the Agents, the Lender Trustee as agent for the ETC Trustees and the Agents and as the holder of the Railbox Certificates, the Owners, and the Owner-Trustees pursuant to the provisions of the Override and Security Agreement, this Railbox Security Agreement, the Revolving Credit Agreement, and the Financing Agreements may, from time to time, in whole or in part, be renewed, extended, modified, accelerated, compromised, settled, or released by any ETC Trustee, any Agent, the Lender Trustee as agent for the ETC Trustees and the Agents or as the holder of the Railbox Certificates, any Owner, or any Owner-Trustee with an interest therein or representing a holder with an interest therein, and that any collateral security and Liens for such Indebtedness may, from time to time, in whole or in part, be exchanged, sold, released, or surrendered by such ETC Trustee, such Agent, the Lender Trustee as agent for the ETC Trustees and the Agents or as the holder of the Railbox Certificates, such Owner or such Owner-Trustee all as such Person may deem advisable, and all without impairing the subordination of the Trailer Train Secured Note and the Indebtedness of Railbox to Trailer Train described on Schedule 12 to the Override and Security Agreement, to the security interest granted by Railbox to the Owners and the Owner-Trustees hereunder, and without impairing the subordination of the security interests

granted by the Owners, Owner-Trustees, Railbox, and Trailer Train pursuant to the provisions of this Railbox Security Agreement to the security interests granted to the Lender Trustee as agent for the ETC Trustees and the Agents under the Override and Security Agreement and the Stock Pledge Agreement; provided, however, that except as expressly permitted in the Override and Security Agreement, the Railbox Lender Participation and Trust Agreement, the Debt Payment Agreement, or the Revolving Credit Agreement, nothing contained in this subsection 3k shall permit any ETC Trustee or Agent or the Lender Trustee as agent for the ETC Trustees and Agents or as the holder of the Railbox Certificates to renew, extend, modify, amend, accelerate, compromise, settle, or release Railbox or any obligation of Railbox in respect of the Railbox-Owner Obligations, or to exchange, sell, release, or surrender any Lien granted in respect of the Railbox-Owner Obligations; and

(1) no payment in respect of the Trailer Train Secured Note shall be made except as permitted under subsection 11.04(d) hereof, and no payment in respect of Indebtedness of Railbox to Trailer Train described on Schedule 12 to the Override and Security Agreement, shall be made except as permitted under subsection 5.04(c) of the Override and Security Agreement prior to the termination of the Debt Payment Agreement pursuant to Section 7 thereof.

4. Covenants in Respect of the Security Interest Granted Hereby.

(a) Railbox Remains Liable. Railbox expressly agrees that, anything herein to the contrary notwithstanding, it will remain liable under each contract, agreement, interest, or

obligation as to which a security interest has been granted to the Owners and Owner-Trustees hereunder and observe and perform all the conditions and obligations to be observed and performed by Railbox thereunder, all in accordance with and pursuant to the terms and provisions thereof. Neither the Owners, the Owner-Trustees, nor the Owner Nominee shall have any duty, responsibility, obligation, or liability under any such contract, agreement, interest, or obligation by reason of or arising out of this Railbox Security Agreement or the granting to the Owners and Owner-Trustees of a security interest herein or in the receipt by the Owners and Owner-Trustees or the Owner Nominee of any payment relating to any such contract, agreement, interest, or obligation pursuant hereto, nor shall the Owners and Owner-Trustees or the Owner Nominee be required or obligated in any manner to (i) perform or fulfill any of the obligations of Railbox thereunder or pursuant thereto, (ii) make any payment, (iii) make any inquiry as to the nature or the sufficiency of any payment received by them or the sufficiency of any performance by any party under any such contract, agreement, interest, or obligation, (iv) present or file any claim, or (v) take any action to collect or enforce any performance or the payment of any amounts in which they have been granted a security interest or to which they or Railbox may be entitled at any time or times.

(b) Statements and Reports. Concurrently with the delivery of the financial statements required by subsections 10.01(a) and 10.01(b) hereof, Railbox will furnish to the Owner

Nominee and to each Owner and Owner-Trustee statements and schedules as at the end of the immediately preceding fiscal quarter of Railbox further identifying and describing the Collateral and such other reports in connection with the Pledged Securities, the Collateral, and the Leased Equipment as any Owner or Owner-Trustee or the Owner Nominee may reasonably request, all in reasonable detail.

(c) The Owners and Owner-Trustees May Perform. If Railbox or Trailer Train fails to perform any term, condition, or covenant of an agreement in which a security interest has been granted hereunder, the Owners and Owner-Trustees or the Owner Nominee may, but shall have no obligation to, perform or cause the performance of such term, condition, or covenant of such agreement, and the expenses of any Owner or Owner-Trustee or the Owner Nominee incurred in connection therewith shall be included as part of the Railbox-Owner Obligations secured hereunder and payable by Railbox to such Person on the later of the Termination Date or the date when such expense is incurred.

(d) No Change in Name or Location. Railbox will not change (i) its principal place of business currently located at 101 North Wacker Drive, Chicago, Illinois 60606, (ii) its principal executive office currently located at 101 North Wacker Drive, Chicago, Illinois 60606, (iii) any office or other location where it keeps or holds any Collateral, other than the Trust Equipment, or (iv) its corporate name, unless Railbox, at least thirty days prior to any such change, notifies the Owner Nominee and the Owners

and Owner-Trustees of such change and takes all action necessary and that the Owner Nominee or any Owner or Owner-Trustee may reasonably request to preserve, perfect, confirm, and protect the Liens granted by Railbox hereunder or under any other Ancillary Agreement; provided, however, that in no event shall Railbox change any location referred to in clause (i), (ii), or (iii) above to any state which has not enacted Article 9 of the UCC substantially in the form of the 1972 Official Text (including, without limitation, Sections 9-103 and 9-306 of the 1972 Official Text); and provided further, however, that in no event shall Railbox change any location referred to in clause (i), (ii) or (iii) above to any state or other jurisdiction if, within thirty days after Railbox has notified the Owner Nominee, the Owners, and Owner-Trustees of the proposed change of location to such state or other jurisdiction, the Owner Nominee or any Owner or Owner-Trustee has notified Railbox that such change of location to such state or other jurisdiction is not acceptable to it.

(e) Further Assurances. Railbox and Trailer Train each agrees that from time to time, at its sole expense, it will promptly execute and deliver all further instruments and documents, and take all further action, as may be necessary or desirable, or as any Owner or Owner-Trustee or the Owner Nominee may request, in order to perfect and protect any Lien granted hereunder or to enable the Owners and Owner-Trustees or the Owner Nominee to exercise and enforce their rights and remedies



hereunder or under any other present or future agreement between Railbox and/or Trailer Train on their part and the Owners and/or the Owner-Trustees on their part, and to effect the purposes of this Railbox Security Agreement. Such acts shall include, but not be limited to, (i) naming the Owners and Owner-Trustees as loss payees or additional insureds with respect to all insurance policies of Railbox on the Collateral; provided, however, that in no event shall the Owners, Owner-Trustees, or the Owner Nominee, be obligated to pay, satisfy, or discharge any premium or other cost and expense relating to such insurance, (ii) the marking of the Railbox books and records to show the Liens granted hereunder, and (iii) the filing of financing statements under the UCC in any state in which such filings would be necessary or appropriate to perfect such security interests. Railbox and Trailer Train hereby authorize the Owner Nominee and each Owner and Owner-Trustee to execute alone any financing statement or any other document or instrument which such Persons may require to perfect, protect, or enforce any right or Lien granted hereunder and authorizes the Owner Nominee and each Owner and Owner-Trustee to sign Railbox's and/or Trailer Train's name on the same.

5. Provisions Concerning the Collateral, the Pledged Securities, the Proceeds, and the Leased Equipment and the Collection of the Accounts.

(a) Settlements. Railbox shall not settle or adjust any dispute or claim or grant any discount, credit, or allowance

in respect of the Accounts of Railbox except in the ordinary course of business. Subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this Railbox Security Agreement, as long as a Default Event exists and is continuing, the Owner Nominee, may, at such time, settle or adjust disputes or claims in respect of the Accounts of Railbox directly with customers of Railbox for amounts and upon terms which the Owner Nominee considers advisable.

(b) Verification. Subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this Railbox Security Agreement, as long as a Default Event exists and is continuing, the Owner Nominee shall have the right, at any time or times hereafter, in the name of the Owners and Owner-Trustees or in the name of a nominee of the Owners and Owner-Trustees (including Railbox), to verify the validity, amount, or any other matter relating to any Collateral, the Pledged Securities, the Proceeds, or the Leased Equipment by mail, telephone, telegraph, or otherwise, and all reasonable costs, fees, and expenses relating thereto incurred by the Owner Nominee (or for which the Owners, Owner-Trustees, or the Owner Nominee, become obligated, including reasonable attorneys' fees and expenses) shall be included as part of the Railbox-Owner Obligations secured hereunder and shall be paid on the later of the Termination Date or the date when such costs, fees, or expenses are incurred.

(c) Notification; Cash Collateral Account. Subject to the subordination and suspension of rights, powers, and remedies as set forth in Section 3 of this Railbox Security Agreement, the Owner Nominee or its designees may notify customers of Railbox (with a copy of any such written notice promptly being sent to Railbox) of the security interest of the Owners and Owner-Trustees in and to the Collateral, the Pledged Securities, and the Proceeds, and, subject to the subordination and suspension of rights, powers, and remedies as set forth in Section 3 of this Railbox Security Agreement, as long as a material Default or any Default Event exists and is continuing, collect the same directly from such customers and charge all collection costs and expenses to the account of Railbox, which shall be included as part of the Railbox-Owner Obligations secured hereunder and shall be paid on the later of the Termination Date or the date when such costs, fees, or expenses are incurred. After the Termination Date, Railbox shall arrange for payment by its customers to be made directly to cash collateral blocked accounts owned by the Owners and Owner-Trustees, or in the name of the Owner Nominee, in such manner as the Owner Nominee may direct pursuant to the provisions of a cash collateral account direction letter substantially in the form of Exhibit A hereto. Railbox shall cause any other funds not constituting the Collateral to be segregated from and not deposited into such cash collateral blocked accounts. In all cases, Railbox's account shall be credited with only the net amounts actually received in payment of the Accounts.

6. The Owner Nominee Appointed Attorney-in-Fact.

Railbox hereby appoints the Owner Nominee as its attorney-in-fact (i) to endorse the name of Railbox on any checks, notes, acceptances, money orders, drafts, and other forms of payment or security that may come into the possession of any Owner or Owner-Trustee or the Owner Nominee, (ii) as long as any Default Event exists and is continuing, to ask, demand, collect, sue for, recover, compound, receive, and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral, (iii) as long as a Default Event exists and is continuing, to sign the name of Railbox on any invoice relating to any of the Collateral on drafts against customers, on schedules and assignments of any of the Collateral, on notices of assignment and other public records, and on verifications of accounts and notices to Railbox's customers, (iv) to notify post office authorities to change the address for delivery of mail addressed to Railbox to an address designated by the Owner Nominee, (v) to receive, open, and dispose of all mail addressed to Railbox, (vi) to send requests for verification of any of the Collateral to customers of Railbox, (vii) to obtain and adjust insurance proceeds thereof required to be paid to the Owners and Owner-Trustees, (viii) to file any claims, take any action, or institute any proceedings which the Owner Nominee may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of the Owners and Owner-Trustees with

respect to any of the Collateral, and (ix) to do all things necessary or advisable to carry out or enforce this Railbox Security Agreement, the Override and Security Agreement, and the other Ancillary Agreements. Railbox hereby ratifies and approves all acts of such attorney-in-fact. Neither the Owners and Owner-Trustees nor said attorneys will be liable for any acts or omissions, nor for any error of judgment or mistake of fact or law, except for gross negligence or wilful misconduct. This power, being coupled with an interest, is irrevocable without the prior written consent of the Owners and Owner-Trustees until the security interests granted hereunder are released pursuant to Section 28 hereof. Notwithstanding anything contained in this Section 6, all provisions of this Section 6 are subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this Railbox Security Agreement.

7. The Owner Nominee as Trailer Train's Attorney-in-Fact.

The Owner Nominee is hereby appointed attorney-in-fact of Trailer Train for the purpose of carrying out the provisions hereof and taking any action and executing any instruments which the Owners and Owner-Trustees may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is coupled with an interest and is irrevocable without the prior written consent of the Owners and Owner-Trustees. Without limiting the generality of the foregoing, if any Default Event shall have occurred and be continuing, the Owner Nominee shall

have the right and power to receive, endorse, and collect all checks made payable to the order of Trailer Train representing any distribution in respect of the Pledged Securities, the Proceeds, or any part thereof and to give full discharge for the same. Notwithstanding anything contained in this Section 7, all provisions of this Section 7 are subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this Railbox Security Agreement.

8. Representations and Warranties of Railbox. Railbox represents and warrants to the Owners and Owner-Trustees that:

(a) Corporate Existence. Railbox is a corporation duly incorporated, validly existing, and in good standing under the laws of the State of Delaware and has all corporate power, is fully qualified to do business, and is in good standing in all jurisdictions in which its business and activities require such qualification.

(b) Title to Assets. Railbox has good title to all its assets, subject to no Liens, except as permitted hereunder and under Section 5.02 of the Override and Security Agreement. Railbox owns or possesses all patents, trademarks, service marks, trade names, copyrights, and licenses, and all rights with respect to the foregoing, necessary and sufficient for the conduct of its business as it is currently being conducted without any conflict with the rights of others in any such patent, trademark, service mark, trade name, copyright, or license.

(c) Litigation, etc. Except as described on Schedule 8 to the Override and Security Agreement, there is no litigation, at law or in equity, no proceeding before any federal, state, or municipal board or other governmental or administrative agency, and no arbitration pending, or to the knowledge of Railbox, threatened, which is likely to involve any material risk of any judgment or liability not covered by insurance, which coverage has been acknowledged by the insurer, or which may otherwise result (including as a result of the adoption of a rule or application of a precedent) in any materially adverse change in the business, assets, operations, properties, prospects, or condition, financial or otherwise, of Railbox or which seeks to enjoin the consummation of, or which questions the validity of, any of the transactions contemplated by this Railbox Security Agreement, the Override and Security Agreement or any other Ancillary Agreement, and no judgment, decree, or order of any court, board, or other governmental or administrative agency or arbitrator has been issued against or binds Railbox which has, or will have, any materially adverse effect on the business, assets, operations, properties, prospects, or condition, financial or otherwise, of Railbox.

(d) Burdensome Obligations. Railbox is not a party to or bound by any agreement, deed, lease, or other instrument, or subject to any charter, by-law, or other corporate restriction which, in the opinion of Railbox's management could materially

and adversely affect or impair the business, assets, operations, properties, prospects, or condition, financial or otherwise, of Railbox. Railbox has no knowledge of any event or circumstances which could require Railbox to make future expenditures needed to meet the provisions of federal, state or local statutes, orders, rules, or regulations which could affect or impair in a materially adverse manner the business, assets, operations, properties, prospects, or condition, financial or otherwise, or Railbox.

(e) No Violation of Laws. Railbox is not in violation of any law, statute, order, rule, regulation, judgment, decree, writ, or injunction of any federal, state or local authority, court, agency, bureau, board, commission, department, or other governmental body, the result of which could materially and adversely affect or impair the business, assets, operations, properties, prospects, or condition, financial or otherwise, of Railbox.

(f) Corporate Power; Authorization; Enforceable Obligation. The execution, delivery, and performance of this Railbox Security Agreement, the Override and Security Agreement, the Debt Payment Agreement, and the Revolving Credit Agreement, and all instruments and documents to be delivered by Railbox hereunder and thereunder and the creation of all Liens provided for herein and therein (i) are within Railbox's corporate power, (ii) have been duly authorized by all necessary or proper corporate action, including the consent of shareholders where required, (iii) will not violate any law or regulation or any order or



decree of any court or governmental instrumentality, (iv) will not conflict with, result in the breach of, or constitute a default under, any indenture, mortgage, deed of trust, lease, agreement, or other instrument to which Railbox is a party or by which it or any of its property is bound, (v) will not result in the creation or imposition of any Lien upon any of the property of Railbox other than the Liens contemplated hereunder, under the Override and Security Agreement or under the Financing Agreements, and (vi) except for the filing of this Railbox Security Agreement and the Override and Security Agreement with the Interstate Commerce Commission, pursuant to the provisions of Section 11303 of title 49 of the United States Code, do not require the consent or approval of or filing with any governmental body, agency, authority, or any other Person other than as provided for herein. This Railbox Security Agreement, the Override and Security Agreement, the Debt Payment Agreement, and the Revolving Credit Agreement have been duly executed and delivered by Railbox, and they constitute legal, valid, and binding obligations of Railbox enforceable against Railbox in accordance with their respective terms.

(g) Taxes. All federal, state, and local tax returns, reports, and statements (including, without limitation, for personal property taxes) required to be filed by Railbox, which if not so filed could have a materially adverse affect on the business, operations, assets, properties, prospects, or condition, financial or otherwise, of Railbox, have been filed with

the appropriate governmental agencies in all jurisdictions in which such returns, reports, or statements are required to be filed, and all taxes due and payable by Railbox have been timely paid. Railbox has not given or been requested to give a waiver of any statute of limitations relating to the payment of federal, state, or local taxes. Periodic payments of sales and use taxes required by applicable state law have been made by Railbox.

(h) Accounts. Each Account assigned by Railbox to the Lender Trustee as agent for the ETC Trustees and the Agents pursuant to the provisions of Article Eight of the Override and Security Agreement and to the Owners and Owner-Trustees pursuant to the provisions of Section 2 hereof for services rendered, for use of the Equipment provided by Railbox to customers, or otherwise, is or will be owned by Railbox free and clear of all Liens in favor of any Person other than the Lender Trustee as agent for the ETC Trustees and the Agents pursuant to the provisions of Article Eight of the Override and Security Agreement and the Owners and Owner-Trustees pursuant to the provisions of Section 2 hereof, is or will be for a liquidated amount, and is not and will not be subject to any deduction, offset, counterclaim, refund, or other condition except in the ordinary course of business.

(i) Liens. Except to the extent created or contemplated by the Financing Agreements, this Railbox Security Agreement, the Override and Security Agreement, the other Ancillary

Agreements and the Trailer Train Secured Note, there are no Liens on, or rights of third parties in or to, nor has there occurred any event which would give a third party a claim to such a right in or to, any unit of the Equipment or any portion of the Collateral, and the priority of any Lien on any and all property of Railbox is as set forth in Section 3 hereof.

(j) Financial Statements of Railbox. Railbox has furnished to each Owner and Owner-Trustee the audited balance sheet of Railbox as at the end of the fiscal year ended December 31, 1983 and audited statement of income, shareholders' equity (deficit), and changes in financial position of Railbox for such fiscal year, reported on by the independent certified public accountants of Railbox, and the balance sheet of Railbox as at the end of the six-month period ended June 30, 1984, and statements of income, shareholders' equity (deficit), and changes in financial position of Railbox for the three-month period ended on such date, certified by the treasurer or controller of Railbox. Such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods indicated. Such balance sheets and such statements of income, shareholders' equity (deficit), and changes in financial position present fairly the financial position of Railbox at such dates and the results of operations and changes in financial position of Railbox for the fiscal periods then ended (subject, as to such three-month statements, to changes

resulting from normal audit adjustments). Except as described on Schedule 9 to the Override and Security Agreement, since June 30, 1984, there has been no materially adverse change in the business, operations, assets, properties, prospects, or condition, financial or otherwise, of Railbox.

(k) No Default or Event of Default. Except as described on Schedule 10 to the Override and Security Agreement, there exists no event or condition under any mortgage, indenture, lease, contract, agreement, instrument, judgment, decree, or order to which Railbox is a party or may be subject, or by which it or any of its properties may be bound, which constitutes a default or an event of default thereunder which has any reasonable likelihood of resulting in a materially adverse change in the business, assets, operations, properties, prospects, or condition, financial or otherwise, of Railbox.

(l) No Employees. Railbox has no employees and no wages or salaries or employee compensation of any form are or have been paid to any individual by Railbox.

(m) Investment Company Act. Railbox is not, and is not directly or indirectly controlled by, or acting on behalf of any Person which is, an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

(n) Equipment. Except with respect to the boxcars listed on Schedule 7 to the Override and Security Agreement, the Equipment constitutes all the boxcars owned or leased by Railbox. Except as disclosed on Schedule 7 to the Override and Security

Agreement, all units of the Equipment exist and are in good order and proper repair, normal wear and tear excepted, and meet the standards in effect under the Interchange Rules of the Association of American Railroads.

(o) No Filings. Other than as set forth in Schedule 11 to the Override and Security Agreement, no filings, recordings or registrations with, or approvals, consents, or other actions of, any office, agency, or authority are necessary in connection with any transaction contemplated hereby, by the Override and Security Agreement or by any other Ancillary Agreement to perfect the rights, Liens, titles, and interests of the Owners, Owner-Trustees or the Owner Nominee intended to be created hereby, the Override and Security Agreement or any other Ancillary Agreement, and all such filings, records, registrations, approvals, consents, and actions have been duly made, given, or taken.

(p) Indebtedness. Except for the Indebtedness under the Financing Agreements, the Trailer Train Secured Note, and as described on Schedule 12 to the Override and Security Agreement, Railbox does not have any Indebtedness to any Person.

(q) Full Disclosure. Neither this Railbox Security Agreement, the Override and Security Agreement, the other Ancillary Agreements, or any agreement of Railbox contemplated hereby or thereby, nor any written statement furnished by Railbox in connection with the consummation of the transactions contemplated by this Railbox Security Agreement or any such other agreement or statement contains any untrue statement of a material fact or

omits to state a material fact necessary to make the statements contained herein or therein not misleading.

9. Representations and Warranties of Trailer Train.

Trailer Train represents and warrants to the Owners and Owner-Trustees that:

(a) Corporate Existence. Trailer Train is a corporation duly incorporated, validly existing, and in good standing under the laws of the State of Delaware.

(b) Corporate Power; Authorization; Enforceable Obligation. The execution, delivery, and performance of this Railbox Security Agreement, the Override and Security Agreement, the Stock Pledge Agreement, and the Railbox Lender Participation and Trust Agreement and all instruments and documents to be delivered by Trailer Train hereunder and thereunder and the creation of all Liens provided for herein and therein (i) are within Trailer Train's corporate power, (ii) have been duly authorized by all necessary or proper corporate action, including the consent of shareholders where required, (iii) will not violate any law or regulation or any order or decree of any court or governmental instrumentality, (iv) will not conflict with, result in the breach of, or constitute a default under, any indenture, mortgage, deed of trust, lease, agreement, or other instrument to which Trailer Train is a party or by which it or any of its property is bound, (v) will not result in the creation or imposition of any Lien upon any of the property of Railbox or

the Pledged Securities other than the Liens contemplated hereunder, under the Stock Pledge Agreement, or under the Override and Security Agreement, and (vi) except for the filing of this Railbox Security Agreement and the Override and Security Agreement with the Interstate Commerce Commission pursuant to the provisions of Section 11303 of title 49 of the United States Code, do not require the consent or approval of or filing with any governmental body, agency, authority, or any other Person other than as provided for herein. This Railbox Security Agreement, the Override and Security Agreement, the Stock Pledge Agreement, and the Railbox Lender Participation and Trust Agreement have been duly executed and delivered by Trailer Train, and they constitute legal, valid, and binding obligations of Trailer Train enforceable against Trailer Train in accordance with their respective terms.

(c) ERISA. Trailer Train is not entering into this Railbox Security Agreement, the Override and Security Agreement, the Stock Pledge Agreement, the Railbox Lender Participation and Trust Agreement, or any transaction contemplated hereby or thereby in connection with any arrangement, directly or indirectly, in any way involving any employee benefit plan or related trust with respect to which it, any other party hereto, any Lender, or any Affiliate of such Person, is a party in interest or a disqualified person, all within the meaning of ERISA and the Code.

(d) Indebtedness of Railbox. Except as described on Schedule 12 to the Override and Security Agreement, there is no Indebtedness of Railbox to Trailer Train other than the Indebtedness evidenced by the Trailer Train Secured Notes and set forth on Schedule 12 to the Override and Security Agreement.

(e) Full Disclosure. Neither this Railbox Security Agreement, the Override and Security Agreement, the other Ancillary Agreements, or any agreement of Trailer Train contemplated hereby or thereby, nor any written statement furnished by Trailer Train in connection with the consummation of the transactions contemplated by this Railbox Security Agreement or any such other agreement or statement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained herein or therein not misleading.

(f) Pledged Securities. The Pledged Securities are duly and validly issued, fully paid, and nonassessable, and subject to the first Lien granted to the Lender Trustee as agent for the ETC Trustees and the Agents pursuant to the provisions of the Stock Pledge Agreement, are duly and validly pledged hereunder in accordance with law, and Trailer Train will defend the right, title, and security interest of the Owners and Owner-Trustees in and to the Pledged Securities against the claims and demands of all Persons whomsoever. Except for the Lien granted to the Lender Trustee as agent for the ETC Trustees and the Agents pursuant to the provisions of the Stock Pledge Agreement, it has good title to all the Pledged Securities, free and clear of all



Liens and it has the right and authority to pledge the Pledged Securities and the Proceeds as herein provided. The Pledged Securities constitute all the issued and outstanding shares of capital stock of Railbox. The pledge, assignment, and delivery of the Pledged Securities pursuant to the provisions of this Railbox Security Agreement create a valid lien on and a security interest in and to the Pledged Securities and the Proceeds, subject only to the Lien granted to the Lender Trustee as agent for the ETC Trustees and the Agents pursuant to the Stock Pledge Agreement. Except for the security interest granted to the Lender Trustee as agent for the ETC Trustees and the Agents pursuant to the provisions of the Stock Pledge Agreement, Trailer Train is not a party to or bound by any agreement purporting to grant to any third party a security interest in or to any property or assets of Trailer Train which would include the Pledged Securities or the Proceeds.

10. Affirmative Covenants of Railbox to the Owners and Owner-Trustees. The covenants of Railbox contained in this Section 10 modify, amend, and supercede to the extent specified in Section 11.05 of the Override and Security Agreement the terms and conditions of each of the Equipment Trust Agreements, the Leases, and the Conditional Sale Agreements.

10.01. Delivery of Financial Statements and Other Reports. Railbox will deliver to each Owner and Owner-Trustee, subject to such Person maintaining the confidentiality thereof as long as such information is not a matter of public record or

unless such Person is required to disclose such information pursuant to any law, order, rule, request, or regulation of any governmental authority applicable thereto, including, without limitation, bank examiners; provided, however, that such Person may disclose the information contained in any document or instrument delivered to such Person pursuant to the provisions of this Section 10.01 to (i) any potential permitted purchaser of an Owner's interest in the Leased Equipment provided that such potential permitted purchaser agrees to maintain the confidentiality thereof in accordance with the provisions of this Section 10.01 and (ii) the attorneys, accountants, and financial advisors of such Person or such potential permitted purchaser:

(a) as soon as practicable after the end of each fiscal quarter (except the last fiscal quarter) in each fiscal year of Railbox and in any event within sixty days thereafter, a balance sheet of Railbox as at the end of such fiscal quarter, and the related statements of income and changes in financial position of Railbox for such fiscal quarter and for the period from the beginning of such fiscal year to the end of such fiscal quarter, setting forth in each case in comparative form figures for the corresponding periods of the previous fiscal year, certified by each of the chief executive officer and treasurer or controller of Railbox as presenting fairly the financial position of Railbox as at the end of such fiscal quarter and the income and changes in financial position of Railbox for the periods

ended on the last day of such fiscal quarter (subject to changes resulting from normal audit adjustments) and as having been prepared in accordance with generally accepted accounting principles consistently applied throughout the periods referred to therein (except for such changes in accounting principles as are disclosed therein and as are concurred with by the then current independent certified public accountants of Railbox);

(b) as soon as practicable after the end of each fiscal year of Railbox and in any event within one hundred twenty days thereafter, a balance sheet of Railbox as at the end of such fiscal year, and the related statements of income and changes in financial position of Railbox for such fiscal year, setting forth in each case in comparative form figures for the previous fiscal year, reported on by the then current independent certified public accountants of Railbox as presenting fairly the financial position of Railbox as at the end of such fiscal year and the income and changes in financial position of Railbox for such fiscal year in accordance with generally accepted accounting principles consistently applied throughout the periods referred to therein (except for such changes in accounting principles as are disclosed therein and as are concurred with by such independent certified public accountants) and not qualified or limited because of restricted or limited examination by such independent certified public accountants of any portion of the records of Railbox, and concurrently with the delivery of these annually

required financial statements, a certificate of such independent certified public accountants stating that in making the examination necessary for such audit (but without any special or additional examination procedures for the purpose of giving such certificate) they obtained no knowledge of any unwaived Default Event, Default, or Event of Default, or if they shall have obtained knowledge of any such Default Event, Default, or Event of Default, specifying the same, it being understood that such independent certified public accountants shall have no liability for failing to obtain such knowledge;

(c) concurrently with the delivery of the financial statements required by subsection 10.01(b) hereof, an Officer's Certificate signed by each of the chief executive officer and the treasurer or controller of Railbox stating that such financial statements are true and correct in all material respects;

(d) concurrently with the delivery of the financial statements required by subsection 10.01(b) hereof, an Officer's Certificate, providing as of the last day of such fiscal year (i) a statement of the description and numbers of the units of the Equipment and the boxcars listed on Schedule 7 to the Override and Security Agreement that have suffered a "Casualty Occurrence" (as such term is defined in the applicable Equipment Trust Agreements and Leases and the Conditional Sale Agreement listed on Schedule 3 to the Override and Security Agreement) during such fiscal year and (ii) an identification of units of the Equipment then being leased by Railbox as lessor and as permitted under this Railbox Security Agreement or under the Override and Security

Agreement and applicable Financing Agreement (including the name of each lessee, the term of each lease or sublease, as the case may be, the date of each agreement pursuant to which such units of the Equipment are leased, and the date of filing of each such lease or sublease, as the case may be, and the Lease Assignment with respect thereto with the Interstate Commerce Commission);

(e) concurrently with the delivery of the financial statements required by subsections 10.01(a) and 10.01(b) hereof, an Officer's Certificate signed by the chief executive officer of Railbox (i) specifying whether any Default Event, Default, or Event of Default exists as at such date and, if so, the action being taken by Railbox to remedy the same and (ii) stating that all units of the Equipment (A) have been maintained and kept in good operating order, repair, and condition, ordinary wear and tear excepted, and (B) meet the applicable standards under the Interchange Rules of the Association of American Railroads then in effect or comparable rules of the Association of American Railroads or any successor thereof if such Interchange Rules are no longer in effect as at such date;

(f) concurrently with the delivery of the financial statements required by subsections 10.01(a) and 10.01(b) hereof, an Officer's Certificate signed by the treasurer or controller of Railbox stating that during the preceding fiscal quarter of Railbox, Railbox has not prepaid any expense except in the ordinary course of business;

(g) as soon as possible and in any event no later than five days after it shall have knowledge of such event, written

notice of (i) the occurrence of any Default Event, Default, or Event of Default, specifying the exact nature of such Default Event, Default, or Event of Default, or (ii) the commencement of any litigation or proceeding or the existence of any threatened litigation or proceeding, known to an officer of Railbox, if such litigation or proceeding or threatened litigation or proceeding could result or has resulted in any materially adverse change in the business, assets, operations, prospects, properties, or condition, financial or otherwise, of Railbox;

(h) within ten days after the renewal date for any policy of insurance, an insurer's certificate as to the insurance then carried with respect to any units of the Equipment;

(i) by the third Business Day of each month, a Cash Certificate;

(j) by the third Business Day of each month, an Officer's Certificate setting forth (i) the payments made or incurred by Railbox for the storage of units of the Equipment or the moving or transporting of units of the Equipment to and from storage locations during the second immediately preceding month and (ii) a list of all signatories to the Railbox Pooling Agreement which have given notice to Railbox during the second immediately preceding month pursuant to the provisions of Paragraph 22 of the BX Car Contracts to which such Persons are parties of their termination of such BX Car Contracts, and (iii) the utilization rate for the Equipment and the boxcars listed on Schedule 7 to the Override and Security Agreement on a fleetwide basis for the second immediately preceding month;

(k) concurrently with the delivery of the Officer's Certificate required by subsection 10.01(c) hereof, (i) statistical information concerning the actual utilization results for the four fiscal quarters just ended, and (ii) copies of all management letters prepared by the then current independent certified public accountants of Railbox for the board of directors of Railbox, any committee thereof, or the senior management of Railbox; and

(l) such additional financial and other information as any Owner or Owner-Trustee may from time to time reasonably request with respect to the business or operations of Railbox including, without limitation, storage reports setting forth the number of units of the Equipment and the boxcars listed on Schedule 7 to the Override and Security Agreement on each line of each railroad owner of shares of capital stock of Trailer Train, such information to be delivered by Railbox to such Person promptly upon request; provided, however, that as soon as practicable and in any event no later than ninety days after the end of its fiscal year, Railbox will convene a meeting of all Lenders and Owners, and agents and representatives thereof, and at such annual meeting the management of Railbox will discuss the results of operations for the fiscal year just ended, the marketing plan for the current fiscal year, and such other subjects related to the affairs and finances of Railbox as any Lender or Owner may reasonably request be discussed.

10.02. Inspection of Properties; Additional Information. Railbox will permit the Owner Nominee, at the expense of Railbox, or any Owner, at the expense of such Owner, by its respective

agents or representatives, to (i) inspect the Equipment and the corporate books, financial records, and Accounts of Railbox, all relating to the Equipment and make copies thereof or extracts therefrom, in order to determine whether Railbox is in compliance with the provisions of this Railbox Security Agreement, the Override and Security Agreement, and those Ancillary Agreements and Financing Agreements to which Railbox is a party, (ii) discuss Railbox's utilization reports, maintenance reports, or the state of repair of any unit or units of the Equipment with any representative of Railbox, (iii) after the Termination Date, inspect the properties of Railbox, including, without limitation, the Equipment and the corporate books, financial records, and Accounts of Railbox and make copies thereof or extracts therefrom, in order to determine whether Railbox is in compliance with the provisions of this Railbox Security Agreement, the Override and Security Agreement, and those Ancillary Agreements and Financing Agreements to which Railbox is a party, and (iv) discuss the affairs, finances, and accounts of Railbox with the principal officers and representatives and agents of Railbox, all at such times, in such manner during normal business hours and as often as the Owner Nominee or any Owner and any such agent or representative may reasonably request upon reasonable notice to Railbox, and Railbox will cooperate fully with such Person.

10.03. Lease Assignments. Railbox will (i) assign or cause to be assigned, pursuant to the provisions of a Lease Assignment, each lease or sublease of units of the Equipment, or



amendment or supplement thereto executed after the Effective Date, to the Owners and Owner-Trustees, or the Owner Nominee, within one Business Day after the execution of such lease or sublease, or amendment or supplement thereto, and (ii) within forty-five days after such execution, deliver to the Owners and Owner-Trustees, or the Owner Nominee, an Officer's Certificate certifying (A) the number of counterparts of such lease or sublease, or amendment or supplement thereto, which were executed and the number of such counterparts in the possession of Railbox and (B) that each such counterpart has been stamped "Assigned to the Owners and Owner-Trustees under a Lease Assignment dated [       ];" provided, however, such assignment shall be secondary, subordinate, and junior in all respects to the assignment of such leases or subleases by Railbox to the Lender Trustee as agent for the ETC Trustees and the Agents pursuant to Section 4.03 of the Override and Security Agreement.

10.04. Filing.

(a) Railbox will, at its expense, promptly after the execution and delivery of this Railbox Security Agreement, the Override and Security Agreement, any lease, sublease, or Lease Assignment, or any supplement or amendment hereto or thereto, execute, acknowledge, deliver, file, register, and record all instruments and will refile, reregister, and rerecord any and all further instruments required by the laws of the United States of America and any state thereof, and the District of Columbia,

or reasonably requested by any Owner or Owner-Trustee for the purposes of (i) proper protection of the rights of such Owner or Owner-Trustee in and to the Equipment, the Collateral, the Pledged Securities, and the Proceeds and (ii) fully carrying out and effectuating the provisions of this Railbox Security Agreement and the intent hereof, and from time to time Railbox shall provide such Opinions of Counsel as may be reasonably requested by any Owner or Owner-Trustee with respect to both such matters.

(b) Promptly after the execution and delivery of this Railbox Security Agreement, the Override and Security Agreement, any lease, sublease, or Lease Assignment, and any supplement or amendment hereto or thereto, Railbox will furnish to each Owner and each Owner-Trustee an Opinion of Counsel stating that such document has been properly deposited, filed, registered, and recorded, and redeposited, refiled, reregistered, and rerecorded, if necessary, so as to protect effectively the rights of the the Owners and the Owner-Trustees in and to the Equipment, the Collateral, the Pledged Securities, and the Proceeds and with respect to the filing of a Lease Assignment, the security interest of the Owners and Owner-Trustees in the lease or sublease covered by such Lease Assignment, under the laws of the United States of America and any state thereof and the District of Columbia, and reciting the details of such action and that, in the case of any lease or sublease, the lessee or sublessee, as the case may be, does not have the right to sublease

any unit of the Leased Equipment subject to such lease or sublease, as the case may be, without the consent of Railbox, and either (i) the rights of the lessee or sublessee, as the case may be, thereunder are subject and subordinate to the rights of the Owners and Owner-Trustees, (ii) the lessee or sublessee, as the case may be, thereunder acknowledges such Lease Assignment in writing and has a long term senior debt rating of "Baa-1" or "Baa-2" or higher by Moody's or the equivalent rating by S&P, or another rating service acceptable to the holders of a majority in aggregate unpaid principal amount of the Lender Certificates prior to the Termination Date or the Owner Nominee on or after the Termination Date, or (iii) all the voting securities of such lessee or sublessee, as the case may be, are owned by the government of Canada or Mexico.

(c) Railbox will furnish to each Owner and each Owner-Trustee on or before each December 31 hereafter, an Opinion of Counsel stating (i) that, in the opinion of such counsel, (A) all filings and recordings have been made and other action has been taken as is necessary or advisable to protect, perfect, and maintain the protection and perfection of, in the United States and any state thereof and the District of Columbia, the interests of each Owner and each Owner-Trustee in and to the Equipment, the Collateral, the Pledged Securities, and the Proceeds, the security interest of each Owner and Owner-Trustee in each lease and sublease applicable thereto and its rights

hereunder and under the Lease Assignment pertaining thereto, and reciting the details of such action, or (B) no such action is necessary or advisable to protect, perfect, and maintain the protection and perfection of, in the United States or any state thereof and the District of Columbia, the interests of any Owner or Owner-Trustee in and to the Equipment, the Collateral, the Pledged Securities, and the Proceeds, the security interest of any Owner or Owner-Trustee in each lease and sublease applicable thereto, and its rights hereunder and under the Lease Assignment pertaining thereto, and (ii) such action, if any, to be taken as is necessary or advisable during the next succeeding eighteen months to protect, perfect, and maintain the protection and perfection of, in the United States and any state thereof and the District of Columbia, the interests of each Owner and Owner-Trustee in and to the Equipment, the Collateral, the Pledged Securities, and the Proceeds, the security interests of each Owner and Owner-Trustee in each lease and sublease applicable thereto, and the rights of each Owner and Owner-Trustee hereunder and under the Lease Assignment pertaining thereto, assuming for the purposes of furnishing such Opinion of Counsel as it pertains to clause (ii) above, that all applicable laws, rules, and regulations are not amended, modified, repealed, or altered during such eighteen month period. If, pursuant to this Section 10.04, any UCC filings have been made, such Opinion of Counsel will also cover the necessity or advisability of filing any continuation statements with respect thereto.

10.05. Maintenance of Corporate Existence and Power.

Railbox will do all things necessary to preserve, renew, and keep in full force and effect and in good standing its corporate existence and power to conduct its business as it is presently conducted and as is necessary to conduct its business in the ordinary course hereafter.

10.06. Compliance with Law; Insurance; etc. Railbox at its expense will:

(a) comply with all applicable laws, ordinances, rules, regulations, and requirements of governmental authorities and pay and discharge at or before their maturity all taxes, assessments, and governmental charges or levies imposed upon its assets; provided, however, that nothing contained in this subsection 10.06(a) shall require compliance with any laws so long as the validity or applicability thereof shall be disputed or contested in good faith by appropriate proceedings and such dispute or contest could not have a materially adverse affect on the business, assets, operations, properties, prospects, or condition, financial or otherwise, of Railbox;

(b) discharge at or before their maturity, all claims or demands of materialmen, mechanics, carriers, warehousemen, landlords, and other like Persons which, if unpaid, might result in the creation of a Lien upon its assets: provided, however, that nothing contained in this subsection 10.06(b) shall require the discharge of the aforementioned claims or demands so long as

the validity thereof shall be disputed or contested in good faith by appropriate means, and adequate reserves have been established therefor;

(c) maintain insurance on its tangible insurable property at all times in such form, in such amounts, and against such risks as are customarily insured against by Persons in similar businesses, in every case under a policy with a good and reputable insurance company and only with such deductibles as are customary, naming each Owner and Owner-Trustee as a loss payee or an additional insured as its or their interests may appear, and providing that no collection or reduction in amounts or change in coverage shall be effective until at least thirty days after receipt by the Owners and Owner-Trustees of written notice thereof; provided, however, that in no event shall any Owner, any Owner-Trustee, or the Owner Nominee be obligated to pay, satisfy, or discharge any premium or other cost or expense relating to such insurance; and

(d) keep proper books of record and accounts complete and correct in all material respects in accordance with generally accepted accounting principles in which entries shall be made of all dealings and transactions in relation to its business and activities.

10.07. Management. Railbox will operate its business in a manner designed to maximize Railbox Cash so long as there are Railbox-Owner Obligations outstanding with a view to discharging the same at the earliest practicable time and will take no

action which would materially prejudice its capability to effect such result.

10.08. Casualty Payments. Prior to the Termination Date, Railbox will make all payments on account of Casualty Occurrences to the ETC Trustees, the Agents and the Owner-Trustees in the manner described in Section 4.08 of the Override and Security Agreement. On and after the Termination Date, Railbox shall continue to make all payments on account of Casualty Occurrences on the dates set forth in subsection 4.08(b) of the Override and Security Agreement, however, all of such payments shall be made by Railbox directly to the Owner-Trustee entitled thereto pursuant to the provisions of the applicable Financing Agreements.

10.09. Preservation of the Railbox Pooling Agreement. Railbox will use its best efforts to (i) prevent the termination or any modification of the Railbox Pooling Agreement and any related BX Car Contract which could have a materially or substantially adverse effect on the business, assets, operations, properties, prospects, or condition, financial or otherwise, of Railbox and (ii) preserve any and all benefits, rights, and privileges arising thereunder.

10.10. The Agreements. Railbox will comply in all respects with and perform all its obligations under this Railbox Security Agreement, the Debt Payment Agreement, the Revolving Credit Agreement, and the Override and Security Agreement.

10.11. Further Assurance. Railbox agrees that from time to time it will do all such acts and execute all such

instruments of further assurance as it shall be reasonably requested to do and execute by any Owner or Owner-Trustee or the Owner Nominee for the purpose of fully carrying out and effectuating this Railbox Security Agreement, the other Ancillary Agreements, the Override and Security Agreement, and the intent hereof and thereof.

11. Negative Covenants of Railbox to the Owners and Owner-Trustees. The covenants of Railbox contained in this Section Eleven modify, amend, and supercede to the extent specified in Section 11.05 of the Override and Security Agreement, the terms and conditions of each of the Equipment Trust Agreements, the Leases, and the Conditional Sale Agreements. Without the prior written consent of the Owners and Owner-Trustees, or the Owner Nominee:

11.01. Indebtedness. Railbox will not create, incur, assume, or permit to exist any Indebtedness, except:

(a) Indebtedness of Railbox pursuant to the Equipment Trust Agreements or existing on December 31, 1983 and disclosed on Schedule 12 to the Override and Security Agreement or evidenced by the Trailer Train Secured Note; and

(b) Short Term Debt of Railbox, incurred in the ordinary course of business in an aggregate amount at any time outstanding not in excess of \$2 million; provided, however, that the terms of any such Short Term Debt owing to Trailer Train, any Affiliate of Trailer Train, or any TTX Holder shall be no



less favorable than would be obtainable by Railbox in a comparable arms'-length transaction or series of transactions.

11.02. Liens. Railbox will neither incur, create, assume, nor permit to exist any Lien on any property or assets now owned or hereafter acquired by it, except:

(a) Liens in existence on the Effective Date securing Indebtedness permitted under subsection 11.01(a) hereof, disclosed on Schedule 12 to the Override and Security Agreement, or evidenced by the Trailer Train Secured Note;

(b) Liens granted pursuant to the provisions of this Railbox Security Agreement, the Railbox Lender Participation and Trust Agreement, and the Override and Security Agreement;

(c) Liens for taxes or assessments and similar charges either not delinquent or being contested in good faith by appropriate proceedings; provided, however, that such contest shall not materially endanger the rights or interests of any Owner, any Owner-Trustee, or the Owner Nominee hereunder, under the Override and Security Agreement, under any other Ancillary Agreement, or under any Financing Agreements;

(d) Liens created by or resulting from pledges and deposits in connection with workers' compensation, unemployment insurance, old age pensions, and other social security benefits, or securing the performance of bids, tenders, leases, contracts (other than for the repayment of borrowed money), statutory obligations, surety and appeal bonds, and other obligations of like nature, created as an incident to and in the ordinary course of business;

(e) statutory liens of landlords and other liens imposed by law, such as liens of mechanics, carriers, warehousemen, materialmen, and vendors, incurred in good faith and in the ordinary course of business; and

(f) Liens created by or resulting from any litigation or proceedings which are currently being contested in good faith by appropriate proceedings and as to which Railbox shall have set aside on its books adequate reserves.

11.03. Guaranties. Railbox as a guarantor will not become or remain liable with respect to any Guaranties except Guaranties of the Equipment Trust Certificates.

11.04. Transactions with Affiliates of Railbox and TTX Holders; Restricted Payments. Railbox will not enter into or engage in any transaction with or make any payment to or for the benefit of Trailer Train, any other Affiliate of Railbox, or any TTX Holder, except:

(a) Railbox may make payments to Trailer Train monthly (or at any less frequent interval) in an amount not to exceed the aggregate amounts charged to Railbox by Trailer Train for the incremental general and administrative expenses incurred by Trailer Train that would not have been incurred by Trailer Train but for its management of the assets of Railbox for the immediately preceding month (or other interval period); provided, however, that the terms and conditions in respect of such management of the assets of Railbox and the expenses and payments with respect

thereto are no less favorable to Railbox than the terms and conditions that Railbox would obtain in an arms'-length transaction or series of transactions;

(b) Railbox may make payments to Trailer Train monthly (or at any less frequent interval) in an amount not to exceed the actual costs incurred by Trailer Train in the performance of maintenance on the Equipment, provided that such maintenance is performed on terms and conditions no less favorable than would be obtainable by Railbox in a comparable arms'-length transaction or series of transactions;

(c) Railbox may make payments to Trailer Train on any Payment Date in an amount equal to the TTX Cash;

(d) Railbox may make payments to Trailer Train on a Payment Date in an amount no greater than the lesser of (i) the Excess Cash less the aggregate amount payable by Railbox to the Owners pursuant to the provisions of Section 2.03 of the Revolving Credit Agreement on such Payment Date or (ii) the sum of (A) the Trailer Train Guaranty Interest Balance, (B) the Trailer Train Guaranty Principal Balance, and (C) the unpaid principal of and accrued and unpaid interest on the Trailer Train Secured Note as at such Payment Date, any such payments permitted to be made to Trailer Train in accordance with the provisions of this subsection 11.04(d) to be applied (x) first, to reduce pro rata the outstanding balance on the Trailer Train Secured Note and the Trailer Train Guaranty Principal Balance, (y) second, any amounts remaining after giving effect to the provisions of clause (x) above to

reduce the Trailer Train Guaranty Interest Balance, and (z) third, any amounts thereafter remaining to pay any accrued and unpaid interest on the Trailer Train Secured Note;

(e) On and after the termination of the Debt Payment Agreement pursuant to the provisions of Section 7 thereof, Railbox may make payments to Trailer Train on a Payment Date but only pursuant to Section 16 of this Railbox Security Agreement; and

(f) Railbox may conduct business in the ordinary course with any TTX Holder, provided that such business is conducted on terms and conditions no less favorable to Railbox than the terms and conditions that Railbox would obtain in an arms'-length transaction or series of transactions.

11.05. Material Change in Condition. Railbox will not:

(a) sell, convey, transfer, or otherwise dispose of all or substantially all its business; or

(b) enter into any transaction of merger, consolidation, or amalgamation or liquidate, wind up, or dissolve (or suffer any liquidation or dissolution).

11.06. Permitted Investments. Railbox will not make or commit to make any advance, loan, extension of credit, or capital contribution to, or purchase any stock, bonds, notes, debentures, or other securities of, or make any other investment in, any Person except:

(a) Accounts and other amounts receivable, created or arising from the sale of goods or services to customers by Railbox in the ordinary course of business; and

(b) investments in Cash Equivalents.

11.07. Capital Expenditures. Railbox will not, directly or indirectly, by way of installment or conditional sale agreement, financing lease (whether or not capitalized in accordance with generally accepted accounting principles), or otherwise, commit to acquire or acquire any fixed or capital assets the aggregate cost of which is or would be greater than \$500,000 in any twelve month period; provided, however, that the foregoing restrictions shall not apply to expenditures for the maintenance of the Equipment which expenditures are according to generally accepted accounting principles required to be capitalized.

11.08. Transfers of Assets. Railbox will not enter into any transaction or series of transactions to convey, sell, lease, transfer, or otherwise dispose of any asset of Railbox except in the ordinary course of its business.

11.09. Leases of the Equipment; Quiet Enjoyment.

(a) Railbox will not enter into any agreement for the lease or sublease of any unit of the Equipment to any Person unless such agreement is for a term complying with the limitations contained in Section 17 hereof and states that the lessee or sublessee, as the case may be, thereunder will not enter into any agreement for the sublease of such unit of the Equipment without the prior written consent of Railbox and either (i) such

agreement states that the rights of the lessee or sublessee, as the case may be, thereunder are subject and subordinate to the rights of any secured party under any applicable Financing Agreement, (ii) the lessee or sublessee, as the case may be, thereunder acknowledges the Lease Assignment to the Owners and Owner-Trustees delivered pursuant to the provisions of Section 10.03 hereof in writing and has a long term debt rating of "Baa-1" or "Baa-2" or higher by Moody's, or the equivalent rating by S&P, or another rating service acceptable to the Lender Trustee as agent for the ETC Trustees and the Agents prior to the Termination Date and the Owner Nominee on or after the Termination Date and is not an Affiliate of Railbox or a TTX Holder, or (iii) all the voting securities of such lessee or sublessee, as the case may be, are owned by the government of Canada or Mexico.

(b) Railbox will not consent to any such lessee or sublessee, as the case may be, entering into an agreement for the sublease of such unit of the Equipment unless such agreement is for a term complying with the limitations contained in Section 17 hereof and (i) the rights of the sublessor under such sublease agreement are assigned for security purposes first to the Lender Trustee as agent for the ETC Trustees and Agents and second to the Owners and Owner-Trustees, (ii) such sublease agreement states that the sublessee thereunder will not enter into any agreement for the sublease of such unit of the Equipment to any Person without the prior written consent of Railbox, and (iii) either (A) such agreement states that the rights of the sublessee

thereunder are subject and subordinate to the rights of the Lender Trustee as agent for the ETC Trustees and Agents and the Owners and Owner-Trustees, (B) the sublessee thereunder acknowledges the Lease Assignment to the Owners and Owner-Trustees delivered pursuant to the provisions of Section 10.03 hereof in writing and has a long term debt rating of "Baa-1" or "Baa-2" or higher by Moody's, or the equivalent rating by S&P or another rating service acceptable to the Lender Trustee as agent for the ETC Trustees and Agents prior to the Termination Date and the Owner Nominee on or after the Termination Date, or (C) all the voting securities of such sublessee are owned by the government of Canada or Mexico.

(c) As long as a lessee or sublessee under a lease or sublease, as the case may be, which is not an Affiliate of Railbox or a LTX Holder meets the requirements of clauses (ii) or (iii) of subsection 11.09(a) hereof or the requirements of clauses (iii)(B) or (iii)(C) of subsection 11.09(b) hereof and shall not be in default under such lease or sublease, as the case may be, the right of such lessee or sublessee, as the case may be, to the continued use and quiet enjoyment of the Equipment subject to such lease or sublease, as the case may be, shall not be affected by reason of any Default Event, Default, or Event of Default.

11.10. Issuance of Equity. Railbox will not issue, sell, create, or cause to be outstanding any stock of any class

or any other evidence of any equity or beneficial ownership interest in Railbox except the Pledged Securities issued to Trailer Train and subject to and delivered to the pledgee pursuant to the provisions of the Stock Pledge Agreement and subject to the provisions of this Railbox Security Agreement.

11.11. Subsidiaries. Railbox will not acquire or hold any stock in any other Person.

11.12. Lease Rentals. Railbox will not enter into any agreement to rent or lease (as lessee) any property, except under the Leases, and under leases for office equipment, for data processing equipment, or for premises used in the conduct of the business of Railbox in the ordinary course, which leases in the aggregate in any twelve month period shall not exceed in rentals due and payable thereunder \$250,000.

11.13. Modification of Agreements. Except as otherwise specifically provided in this Railbox Security Agreement, in the Override and Security Agreement or in any other Ancillary Agreement, Railbox will not amend any Ancillary Agreement or Financing Agreement to which it is a party.

11.14. Limitations on Use of the Equipment. Railbox will not, nor will it allow any lessee or sublessee to, permit the use or presence of any units of the Equipment in any location outside the continental United States, Canada, and Mexico; provided, however, that in no event shall more than 15% of the Trust Equipment be used or present in Mexico at any one time and no unit of the Leased Equipment shall be used or present in



any location in violation of the terms of the Lease to which such unit of Leased Equipment is subject.

12. Covenants of Trailer Train to the Owners and Owner-Trustees

12.01. Maintenance of Corporate Existence; Compliance with Law. Trailer Train will at all times do or cause to be done all things necessary to maintain, preserve, and renew its corporate existence and comply with all applicable statutes, rules, regulations, and orders material to the conduct of its business, operations, assets, properties, prospects, or condition, financial or otherwise, unless Trailer Train provides evidence satisfactory to the the Owners and Owner-Trustees that such action or omission will not affect the ability of Trailer Train to fulfill all its obligations hereunder and under the Override and Security Agreement and the other Ancillary Agreements to which it is a party.

12.02. Merger; Consolidation; Sale of Assets. Trailer Train will not merge into or consolidate with any other corporation or sell, lease, transfer, or otherwise dispose of all or substantially all its assets to any Person, unless the surviving corporation or the purchaser, lessee, transferee or acquirer of such assets as the case may be, has a long term debt rating of "Baa-1" or higher by Moody's, or the equivalent rating by S&P or another rating service acceptable to the Lender Trustee as agent for the ETC Trustees and the Agents prior to the Termination Date and the Owner Nominee on or after the Termination Date and such Person agrees to assume and discharge all the obligations

of Trailer Train set forth herein, in the Override and Security Agreement, and in the Ancillary Agreements to which Trailer Train is a party as though it was originally named as a party hereto and thereto in the place of Trailer Train.

12.03. Payment of Moving and Storage Charges.

(a) Trailer Train agrees that as long as it is the record owner of all the Pledged Securities, it will (i) pay all storage charges for any units of the Equipment and all costs incurred as a result of moving or transporting any units of the Equipment to and from storage locations and (ii) fully reimburse Railbox for any payments made or obligations to pay incurred by Railbox in respect of such charges and costs during the two year period commencing on the date specified in a notice delivered to Railbox and Trailer Train from the Lender Trustee as agent for the ETC Trustees and the Agents prior to the Termination Date and from the Owner Nominee on and after the Termination Date, which notice shall direct Trailer Train to take the actions specified in clauses (i) and (ii) above.

(b) Trailer Train agrees that it will at all times after a Default Event has occurred and is continuing (i) pay all storage charges for the boxcars listed on Schedule 7 to the Override and Security Agreement and all costs incurred as a result of moving or transporting such boxcars to and from storage locations and (ii) fully reimburse Railbox for any payments made or obligations to pay incurred by Railbox in respect of such charges and costs.

12.04. Preservation of Railbox Corporate Existence and Management of Railbox. Trailer Train will not take or permit Railbox to take any action which would materially prejudice the capabilities of Railbox to maintain, preserve, renew, or keep in full force and effect and in good standing the corporate existence of Railbox or the ability of Railbox to continue its business or to consummate the transactions contemplated by and perform its obligations under this Railbox Security Agreement, the Override and Security Agreement, the other Ancillary Agreements and the Financing Agreements.

12.05. Other Agreements. Trailer Train shall comply in all respects and perform all its obligations under the Override and Security Agreement, the Railbox Lender Participation and Trust Agreement and the Stock Pledge Agreement.

12.06. Disposition of the Pledged Securities. Trailer Train covenants and agrees that it will not sell, convey, transfer, or otherwise dispose of the Pledged Securities or any interest therein.

13. Rights of the Owners and Owner-Trustees to Vote the Pledged Securities. Subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this Railbox Security Agreement, if any Default Event shall have occurred and be continuing hereunder, the Owner Nominee, shall be entitled to exercise all the voting power with respect to the Pledged Securities.

14. Rights of Trailer Train to Vote the Pledged Securities. So long as no Default Event shall have occurred and be continuing hereunder, Trailer Train shall be entitled to exercise, but in a manner not inconsistent with the terms of this Railbox Security Agreement, of the Stock Pledge Agreement, of any other Ancillary Agreement, of the Override and Security Agreement, or of any Financing Agreement, all the voting power with respect to the Pledged Securities.

15. Dividends, etc. In the event that (i) any stock dividend shall be declared on any of the Pledged Securities, (ii) any shares of stock or fractions thereof shall be issued pursuant to any stock split involving any of the Pledged Securities, (iii) any property shall be distributed upon or with respect to the Pledged Securities pursuant to a recapitalization or reclassification of the capital of Railbox or any Issuer or the reorganization thereof, or (iv) any other distribution shall be made in respect of the Pledged Securities, including, without limitation, a cash distribution, Trailer Train hereby grants a security interest in and to such dividend, shares, property, or cash so distributed to the Owners and Owner-Trustees, and such dividend, shares, property, or cash shall be delivered to the Lender Trustee as agent for the ETC Trustees and Agents prior to the Termination Date and to the Owner Nominee on and after the Termination Date, such dividend, shares, property, or cash to be additional collateral security

hereunder for the Railbox-Owner Obligations; provided, however, that such security interest shall be subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this Railbox Security Agreement.

16. Priority of Railbox Payments Commencing with the Termination Date. Unless otherwise provided in this Railbox Security Agreement, commencing on the Termination Date, Railbox Cash shall be paid by Railbox on each Payment Date in the following order of priority:

(a) Railbox shall, until the Owner Payment Balance equals zero, pay to each Owner an amount equal to the product of (i) the Railbox Cash and (ii) the percentage obtained by dividing (A) the aggregate outstanding and unpaid loans to Railbox or payments to the Lender Trustee made by such Owner pursuant to either or both Section 2.01 of the Revolving Credit Agreement and/or Section 4.02 of the Railbox Lender Participation and Trust Agreement plus accrued and unpaid interest on the unpaid principal balance thereof at the rate of nine percent per annum by (B) the Owner Payment Balance.

(b) When the Owner Payment Balance equals zero, Railbox shall pay to each Owner-Trustee an amount equal to the product of (i) the Railbox Cash less any amounts paid on such Payment Date to the Owners pursuant to the provisions of subsection 16(a) hereof and (ii) the percentage obtained by dividing (A) the Current Owner Rent due such Owner-Trustee on such Payment Date by (B) the sum of the Current Owner Rents due all the Owner-Trustees on such Payment Date; provided, however, that no

Owner-Trustee on any Payment Date shall receive from Railbox pursuant to this subsection 16(b) an amount greater than the Current Owner Rent due such Owner-Trustee on such Payment Date.

(c) When the Owner Payment Balance equals zero and each Owner-Trustee has received the Current Owner Rent due such Owner-Trustee on such Payment Date, Railbox shall, until the Deferred Current Owner Rent due to each of the Owner-Trustees is paid in full, pay to each Owner-Trustee an amount equal to the product of (i) the Railbox Cash less the amounts paid on such Payment Date pursuant to the provisions of subsections 16(a) and 16(b) hereof and (ii) the percentage obtained by dividing (A) the Deferred Current Owner Rent due such Owner-Trustee by (B) the sum of the Deferred Current Owner Rents due all the Owner-Trustees.

(d) When the Owner Payment Balance equals zero, each Owner-Trustee has received the Current Owner Rent due to such Owner-Trustee on such Payment Date and the Deferred Current Owner Rent due to all of the Owner-Trustees is paid in full, Railbox shall, until the Railbox-Trailer Train Secured Obligations are paid in full, pay to Trailer Train an amount equal to the Railbox Cash less the amounts paid on such Payment Date pursuant to the provisions of subsections 16(a) through 16(c) hereof, inclusive.

(e) When the Owner Payment Balance equals zero, each Owner-Trustee has received the Current Owner Rent due to such Owner-Trustee on such Payment Date, and both the Deferred Current Owner Rent due to all the Owner-Trustees and the Railbox-Trailer Train Secured Obligations are paid in full, Railbox shall pay to each Owner-Trustee an amount equal to the product of (i) the Railbox Cash less the amounts paid on such Payment Date pursuant

to the provisions of subsections 16(a) through 16(d) hereof, inclusive and (ii) the percentage obtained by dividing (A) the Deferred Owner Rent due such Owner-Trustee by (B) the sum of the Deferred Owner Rents due all the Owner-Trustees; provided, however, that no Owner-Trustee on any Payment Date shall receive from Railbox pursuant to this subsection 16(e) an amount greater than the Deferred Owner Rent then due and owing such Owner-Trustee.

(f) When the Owner Payment Balance equals zero, each Owner-Trustee has received the Current Owner Rent due such Owner-Trustee on such Payment Date, and the Deferred Current Owner Rent due to all the Owner-Trustees, the Deferred Owner Rent due to all of the Owner-Trustees, and the Railbox-Trailer Train Secured Obligations are paid in full, Railbox shall, until the Owner Subordinated Payment Balance equals zero, pay to each Owner entitled thereto, an amount equal to the product of (i) the Railbox Cash less the amounts paid on such Payment Date pursuant to the provisions of subsections 16(a) through 16(e) hereof, inclusive, and (ii) the percentage obtained by dividing (A) the Owner Percentage for such Owner by (B) the aggregate of the Owner Percentages of all such Owners entitled thereto.

(g) When both the Owner Payment Balance and the Owner Subordinated Payment Balance equals zero, each Owner-Trustee has received the Current Owner Rent due such Owner-Trustee on such Payment Date and the Deferred Current Owner Rent due to all of the Owner-Trustees, the Deferred Owner Rent due to all of the

Owner-Trustees and the Railbox-Trailer Train Secured Obligations are paid in full, Railbox shall pay to each Owner and Owner-Trustee entitled thereto an amount equal to the product of (i) the Railbox Cash less the amounts paid on such Payment Date pursuant to the provisions of subsections 16(a) through 16(f) hereof, inclusive, and (ii) the percentage obtained by dividing (A) the Railbox-Owner Obligations then due to such Owner or Owner-Trustee by (B) the aggregate of the Railbox-Owner Obligations then due all of the Owners and Owner-Trustees.

(h) When all the Railbox-Owner Obligations, and the Railbox-Trailer Train Secured Obligations are paid in full, Railbox shall pay to Trailer Train an amount equal to the Indebtedness of Railbox due to Trailer Train identified on Schedule 12 to the Override and Security Agreement.

(i) Notwithstanding anything contained in subsections 16(b) through 16(h) hereof, inclusive, the priorities contained in this Section 16 are subject to the provisions of subsection 19(d) hereof and upon, and only upon, the occurrence of one or more of the events described in subsection 19(d) hereof, the application of payments and proceeds set forth in subsection 19(d) hereof shall control and supersede the provisions of subsections 16(a) through 16(g) hereof, inclusive.

17. Lease Extension and Termination.

(a) Railbox hereby exercises its option to extend each of the Leases to which the Owner-Trustees are parties for the



first renewal period set forth in the first paragraph of Section 13 of such Leases pursuant to the terms and conditions set forth in such Leases as modified herein. Railbox shall not enter into any agreement for the lease or sublease of any unit of Leased Equipment to any Person for any period of time beyond the termination of the first renewal period of any Lease of such unit of Leased Equipment without the prior written consent of the Owner-Trustee which is a party to such Lease; provided, however, that if Railbox exercises its option to extend such Lease for either the second or third renewal period pursuant to the provisions of Section 13 of such Lease and such agreement for the lease or sublease of such units of Leased Equipment meets the requirements of Section 11.09 of this Railbox Security Agreement, Railbox may enter into such agreements for the lease or sublease of such units of Leased Equipment for a period of time not to extend beyond the termination of any such renewal period or periods without the consent of the Owner-Trustee which is a party to such Lease.

(b) In the event that Railbox shall not exercise its option to extend any Lease for either the second or third renewal period pursuant to the provisions of Section 13 of such Lease: (i) the Owner-Trustee which is a party to such Lease shall (A) have the right to require Railbox, at Railbox's cost and expense, to return the units of the Leased Equipment which are the subject of such Lease not so extended to a place or places reasonably designated by such Owner-Trustee pursuant to

the provisions of Section 14 of such Lease, and (B) retain any and all of its claims against Railbox for any Railbox-Owner Obligations, and (ii) Railbox will comply with all of the terms and conditions contained in Section 14 of such Lease.

18. Default Events. The events specified below shall each constitute a Default Event under this Railbox Security Agreement:

(a) if Railbox shall fail to pay any of the Railbox-Owner Obligations as and when the same shall become due and payable during the term of this Railbox Security Agreement; or

(b) any final judgment or judgments for the payment of money aggregating in excess of \$500,000 is or are outstanding against Railbox and any one of such judgments has been outstanding for more than sixty days from the date of its entry and has not been discharged in full or stayed: provided, however, that to the extent that the amount of any such judgment is covered by insurance, which coverage has been acknowledged by the insurer, such amount shall not be considered hereunder; or

(c) any order, judgment, or decree is entered in any proceeding against Railbox decreeing a divestiture of Railbox of assets whose aggregate book value exceeds \$500,000; or

(d) any representation or warranty by Railbox or Trailer Train contained herein, in the Override and Security Agreement, or in the other Ancillary Agreements to which such Person is a party shall not be true and correct in all material respects when made; or

(e) there shall be a default in the payment of any amount due and payable under the Debt Payment Agreement to any ETC Trustee or Agent or to the Lender Trustee as agent for the ETC Trustees and the Agents or as the holder of the Railbox Certificates; or

(f) Railbox shall fail or refuse to comply with any of the terms and covenants contained in Section 10.03, 10.04, 10.05, 10.06, 10.07, 10.11, or 10.12 or Article Eleven of this Railbox Security Agreement or Trailer Train shall fail or refuse to comply with any of the terms and covenants applicable to it contained in Section 2, 3, 7, 9(e), 12.06, 13, 14, 15, 19(e), 19(h), 19(i), 19(j), 20, 22, 24, 28, 29, 34, 35, 36, or 37 of this Railbox Security Agreement.

(g) Railbox shall fail or refuse to comply with any of the terms and covenants contained in Section 4.03, 4.04, 4.05, 4.06, 4.07, 4.11, 4.12, or 8.04 or Article Five of the Override and Security Agreement or Trailer Train shall fail or refuse to comply with any of the terms and covenants applicable to it contained in Section 8.02 of the Override and Security Agreement, in Section 3.03 of the Railbox Lender Participation and Trust Agreement, or in the Stock Pledge Agreement; or

(h) Except as otherwise set forth in subsections 18(f) and 18(g) hereof, Railbox or Trailer Train shall for more than thirty days after either (i) any Owner or Owner-Trustee shall have demanded in writing performance thereof or (ii) the president, any vice president, the treasurer, or the controller of

Railbox or Trailer Train shall, with knowledge thereof, fail or refuse to comply with any other of the terms and covenants hereof or of the Override and Security Agreement or any Ancillary Agreement which are applicable to it or to make provision satisfactory to the Owners and the Owner-Trustees for such compliance; or

(i) Railbox shall default in any payment of any Indebtedness (other than Indebtedness arising out of any Financing Agreement) beyond any period of grace provided with respect thereto, or shall default in the performance of any other agreement, term, or condition contained in any agreement under which any such Indebtedness is created, and (i) the effect of such default in performance is to cause such Indebtedness to become due or to be declared to become due prior to the stated maturity or scheduled date for the payment thereof and (ii) the aggregate principal amount of such Indebtedness (including the Indebtedness, if any, with respect to which there exists a default in payment) which becomes due prior to the stated maturity or scheduled date for payment (including for this purpose the full amount of Capitalized Lease Obligations) exceeds \$500,000; or

(j) there shall have occurred and be continuing (i) an event of default as set forth in Article 15 of the Conditional Sale Agreement listed on Schedule 3 to the Override and Security Agreement other than any such event of default occurring prior to the Closing Date or resulting solely from the failure of the Owner-Trustee which is party to such Conditional Sale Agreement,

if such Conditional Sale Agreement is listed on Schedule 2 hereto, or Railbox, if such Conditional Sale Agreement is listed on Schedule 3 to the Override and Security Agreement, to make any payment required to be made pursuant to the provisions of Article 4 of such Conditional Sale Agreement, (ii) an "Event of Default" as defined in Article Six of any Equipment Trust Agreement other than one occurring prior to the Closing Date or resulting solely from the failure of Railbox to make any payment required to be made pursuant to the provisions of paragraph 5.04(B)(3) or 5.04(B)(4) of such Equipment Trust Agreement, or (iii) an "Event of Default" as defined in Section 10 of any Lease other than one occurring prior to the Closing Date or resulting solely from the failure of Railbox to make any payment required to be made pursuant to the provisions of Section 3 of such Lease; or

(k) there shall have occurred and be continuing an "Event of Default" as defined in Section 9.01 of the Override and Security Agreement; or

(l) commencing on the Termination Date, the payments made by Railbox to the Owners, Owner-Trustees and Trailer Train during any Performance Period shall fail to exceed the sum of the aggregate of the Current Owner Rent owing to the Owner-Trustees pursuant to the provisions of this Railbox Security Agreement during such Performance Period.

19. Remedies.

(a) Subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this

Railbox Security Agreement, during the continuance of a Default Event the Owner Nominee, may, without obligation to resort to other security or to any other remedy available to it or to the Owners or Owner-Trustees, (i) exercise any one or more of the rights and remedies of a secured party under the UCC and any other law which is applicable upon default by a debtor, (ii) enter, with or without process of law and without breach of the peace, any premises where the Collateral is or may be located, and, without charge or liability to any Owner, Owner-Trustee or the Owner Nominee, seize and remove the Collateral located thereon from said premises or remain upon said premises and use the same for the purpose of collecting, preparing, and disposing of the Collateral and enforcing any and all rights and remedies under this Railbox Security Agreement, and may collect, receive, appropriate, lease, or otherwise contract for the use of, and realize upon the Collateral or any part thereof, and (iii) require Railbox to make the Collateral or any part thereof available to the Owner Nominee, at a place reasonably determined by it. Without limiting the foregoing, Railbox expressly agrees that in any such event, the Owner Nominee, may take any or all such actions described in this Section 19 without demand of performance or other demand, advertisement, or notice of any kind (except the notice specified below of the time and place of public or private sale) to Railbox or any other Person, (all and each of which demands, advertisements, and notices are hereby expressly waived by Railbox).

(b) Subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this Railbox Security Agreement, during the continuance of a Default Event the Owner Nominee may, without obligation to resort to other security or any other remedy available to the Owners, Owner-Trustees or the Owner Nominee, and with or without retaking possession thereof, sell the Collateral or any part thereof, free from any and all claims of Railbox at law or in equity, in one lot and as an entirety, or in separate lots, at public or private sales for cash or upon credit in its discretion, and may proceed otherwise to enforce its rights and the rights of the Owners and Owner-Trustees, all subject to any mandatory requirements of law applicable thereto. At any such sale, any Owner, any Owner-Trustee, or the Owner Nominee may bid for the property offered for sale or any part thereof. In the event that any Owner or Owner-Trustee or the Owner Nominee becomes the purchaser of the Collateral, or any part thereof, at such sale or sales, each shall (i) be entitled to have any portion of the Railbox-Owner Obligations due it credited toward payment of the purchase price of such Collateral and (ii) not be accountable to Railbox therefor (except to the extent of surplus money received as hereinafter provided in this subsection 19(b)). Any such sale may be held or conducted at such place and at such time as the Owner Nominee may specify or as may be required by law, without gathering at the place of sale the Collateral to be sold, and in general in such manner as the

Owner Nominee may determine, but so that Railbox shall have a reasonable opportunity to bid at any such sale, and for such purpose, fifteen days prior written notice to Railbox of such sale shall be deemed to be commercially reasonable. The Owner Nominee may postpone or adjourn any sale of the Collateral or any part thereof, from time to time by an announcement at the time and place of such sale or by announcement at the time and place of such postponed or adjourned sale, without being required to give a new notice of sale. Except as otherwise expressly set forth in subsection 19(d) hereof, the proceeds of any such sale shall be applied first, to all fees, charges, expenses, or advances made or incurred by the Owners, Owner-Trustees, or the Owner Nominee, as a result of such sale or other disposition, second, to the Owner Payment Balance, third, to Current Owner Rent, fourth, to Deferred Current Owner Rent, fifth, to Deferred Owner Rent, sixth, to the Owner Subordinated Payment Balance, and seventh, to all other Railbox-Owner Obligations. If after application as aforesaid of the sums of money realized by the Owner Nominee pursuant to this subsection 19(b), there shall remain a surplus in the possession of the Owner Nominee, such surplus shall be paid (A) to the Owner or Owner-Trustee entitled thereto if such surplus arises out of or relates to the Leased Equipment, including, without limitation, Accounts and Casualty Payments relating to or arising out of the Leased Equipment, and (B) to Railbox if such surplus relates to any other Collateral



and was not paid to the Owners or Owner-Trustees pursuant to clause (A) above. Any and all amounts received and retained by the Owner Nominee pursuant to this subsection 19(b), other than any surplus paid to Railbox pursuant to this subsection 19(b), shall be allocated to each Owner and each Owner-Trustee pursuant to the provisions of subsections 16(a), 16(b), 16(c), 16(e), 16(f) and 16(g) hereof.

(c) Upon such taking possession, lease, or sale of, or other realization on, the Collateral, Railbox shall cease to have any rights or remedies in respect of the same, except as specifically provided in this Section 19, and all such rights and remedies shall be deemed thenceforth to have been waived and surrendered by Railbox. No such taking possession, lease, or sale of, or other realization on, the Collateral by the Owners or Owner-Trustees shall be a bar to the recovery by any Owner, any Owner-Trustee, or the Owner Nominee of amounts due and payable to such Owner or Owner-Trustee in respect of the Railbox-Owner Obligations, and Railbox shall remain liable for the same until such sums have been realized from the proceeds of the sale of the Collateral or otherwise as shall be sufficient for the discharge and payment in full of all the Railbox-Owner Obligations. Subject to the subordination and suspension of the rights, powers, and remedies set forth in Section 3 of this Railbox Security Agreement, in case of the occurrence of any Default Event, the Owners and Owner Trustees, or the Owner Nominee, may exercise any

right, power, or remedy hereunder or under the Override and Security Agreement, under the other Ancillary Agreements, under the Financing Agreements, under any other agreement contemplated hereby or thereby, or otherwise, either against Railbox, against Trailer Train, or against both Railbox and Trailer Train. The exercise of any right, power, or remedy against Railbox or Trailer Train shall in no event be deemed to be a waiver by the Owners, Owner-Trustees, or the Owner Nominee to exercise any right, power, or remedy against the other or any other right, power, or remedy against the same party.

(d) If (i) the Termination Date occurs solely pursuant to subsection 5.06 (a)(i) or 5.06 (a)(ii) of the Railbox Lender Participation and Trust Agreement, and (ii) the Owner Nominee shall thereafter foreclose, sell, or otherwise dispose of the Trust Equipment pursuant to the provisions of Sections 18 and 19 hereof, then all payments or proceeds collected by the Owner Nominee as a result of such foreclosure, sale or other disposition of the Trust Equipment or the proceeds thereof shall be applied first, to all fees, charges, expenses, or advances made or incurred by the Owners, Owner-Trustees, and the Owner Nominee as a result of such foreclosure, sale or other disposition of the Trust Equipment, second, to the Owner Payment Balance, third, to Current Owner Rent, fourth, to Deferred Current Owner Rent, fifth, to amounts then due and payable by Railbox to (A) the Owners and Owner-Trustees or the Owner Nominee in respect of any

Deferred Owner Rent, whether by declaration of acceleration or otherwise and (B) Trailer Train in respect of any unpaid Railbox-Trailer Train Secured Obligations, whether by declaration of acceleration or otherwise, such fifth application to the Deferred Owner Rent and the Railbox-Trailer Train Secured Obligations shall be made so that all payments or proceeds remaining after the first, second, third, and fourth applications described above, are applied to (1) the Deferred Owner Rent in an amount equal to the product of (w) such remaining payments or proceeds and (x) the Deferred Owner Rent Fraction and (2) the Railbox-Trailer Train Secured Obligations in an amount equal to the product of (y) such remaining payments and proceeds and (z) the Railbox-Trailer Train Secured Obligations Fraction, sixth, to the Owner Subordinated Payment Balance, and seventh, to all other Railbox-Owner Obligations. Nothing contained in this subsection 19(d) shall be construed to mean that Trailer Train shall be entitled to receive any payment made to the Owners pursuant to Section 4.05 of the Railbox Lender Participation and Trust Agreement. Any and all amounts received and retained by the Owner Nominee, pursuant to this subsection 19(d) other than any surplus paid to Railbox pursuant to subsection 19(b) hereof, shall be allocated to each Owner and each Owner-Trustee pursuant to the provisions of subsections 16(a), 16(b), 16(c), 16(e) 16(f), and 16(g) hereof.

(e) Subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this

Railbox Security Agreement, if any Default Event shall have occurred and be continuing hereunder, the Owner Nominee, without obligation to resort to other security or any other remedy available to it or to the Owners or Owner-Trustees, shall have the right at any time and from time to time to sell, resell, assign, and deliver, or otherwise dispose of in its discretion, any or all the Pledged Securities and Proceeds, in one or more lots at the same or different times, and all right, title, interest, claim, and demand therein, and the right of redemption thereof, at a public or private sale, for cash, upon credit, or for future delivery, and at such price or prices and on such terms as the Owner Nominee may determine. Trailer Train hereby agrees that, upon such sale, any and all equity or right of redemption of Trailer Train automatically shall be waived and released without any further action on the part of Trailer Train, and in connection therewith, the Owner Nominee, may grant options, all without demand, advertisement, or notice (except as required by law), all of which (to the extent permitted by law) are hereby expressly waived by Trailer Train. In the event of any such sale, the Owner Nominee, shall, at least ten days before such sale, give Trailer Train notice of its intention to sell, except that if the Owners and Owner-Trustees, or the Owner Nominee, shall determine, in their or its sole discretion, that any of the Pledged Securities or Proceeds is in danger of declining speedily in value, then any such sale may be made without such notice to

Trailer Train. Upon each such sale any Owner or Owner-Trustee, or the Owner Nominee, may purchase any or all the Pledged Securities or the Proceeds being sold, free from any equity or right of redemption, which upon each such sale shall be waived and released, and may apply any of the Railbox-Owner Obligations at the full unpaid amount thereof in payment of such purchase price. The proceeds of any such sale or other disposition of the Pledged Securities and Proceeds shall be applied first, to all fees, charges, expenses, or advances made or incurred by the Owners, Owner-Trustees, and the Owner Nominee as a result of such sale or other disposition, second, to the Owner Payment Balance, third, to Current Owner Rent, fourth to Deferred Current Owner Rent, fifth to Deferred Owner Rent, sixth, to the Owner Subordinated Payment Balance, and seventh, to all other Railbox-Owner Obligations. If after application as aforesaid of the sums of money realized by the Owner Nominee pursuant to this subsection 19(e), there shall remain a surplus in the possession of the Owner Nominee, such surplus shall be paid by the Owner Nominee to Trailer Train. Any and all amounts received and retained by the Owner Nominee pursuant to this subsection 19(e), other than any surplus paid to Trailer Train pursuant to this subsection 19(e), shall be allocated to each Owner and each Owner-Trustee pursuant to the provisions of subsections 16(a), 16(b), 16(c), 16(e), 16(f), and 16(g) hereof.

(f) Trailer Train and Railbox each hereby waives presentation and demand in respect of any of the Railbox-Owner

Obligations and waives notice of presentation, demand, and any default in the payment of the principal of and interest on the Railbox-Owner Obligations.

(g) Notwithstanding anything to the contrary contained in or arising under this Section 19, but subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this Railbox Security Agreement, during the continuance of a Default Event each Owner and Owner-Trustee shall also have any and all rights, remedies, and powers, available to it with regard to the Leased Equipment pursuant to the provisions of the Override and Security Agreement, the Ancillary Agreements, the Financing Agreements, any other agreement contemplated hereby or thereby, or otherwise.

(h) Subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this Railbox Security Agreement, if any Default Event shall have occurred hereunder, the Owner Nominee shall have the right, for and in the name, place, and stead of Trailer Train, to execute endorsements, assignments, or other instruments of conveyance or transfer with respect to any or all the Pledged Securities or Proceeds.

(i) Trailer Train recognizes that the Owner Nominee may be unable to effect a public sale of any or all the Pledged Securities by reason of certain prohibitions contained in the Securities Act and applicable state securities laws, but may be

compelled to resort to one or more private sales to a purchaser or a restricted group of purchasers who will be obliged to agree, among other things, to acquire such securities for its or their own account, for investment, and not with a view to the distribution or resale thereof, Trailer Train acknowledges and agrees that any such private sale may result in prices and other terms less favorable to the seller than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Owner Nominee shall be under no obligation to delay a sale of any of the Pledged Securities for the period of time necessary to permit Trailer Train to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if Trailer Train would agree to do so.

(j) Trailer Train shall indemnify and save harmless each Owner, each Owner-Trustee, and the Owner Nominee from and against any liability or damage which it may incur in the exercise and performance of any of its rights, powers, privileges, and remedies set forth herein.

(k) After all such payments in respect of the Railbox-Owner Obligations and the Railbox-Trailer Train Secured Obligations shall have been made in full, (i) the title to any of the Trust Equipment remaining unsold shall be conveyed by the Owner Nominee and Trailer Train to Railbox and (ii) the Owner Nominee

shall deliver the Pledged Securities to Trailer Train, all free from any further liabilities or obligations to any Owner or Owner-Trustee hereunder.

(1) If after applying all such sums of money realized by the Owner Nominee and Trailer Train pursuant to the provisions of this Section 19, there shall remain any amount due to any of the Owners, Owner-Trustees, or Trailer Train under the provisions hereof, Railbox agrees to pay the amount of such deficit to such Owners, Owner-Trustees, and Trailer Train upon demand, together with interest thereon from the date of such demand at the rates specified in the applicable Financing Agreements with respect to the Owners and Owner-Trustees. If Railbox shall fail to pay such deficits, the Owner Nominee (i) may bring suit against Railbox for such deficit owing to such Owners and Owner-Trustees and (ii) shall be entitled to recover a judgment therefor against Railbox. Any payments or proceeds received and retained by the Owner Nominee pursuant to this subsection 19(1) shall be applied in accordance with the provisions of subsection 19(b) hereof. Any and all amounts received and retained by the Owner Nominee, pursuant to this subsection 19(1) shall be allocated to each Owner and each Owner Trustee pursuant to the provisions of subsections 16(a), 16(b), 16(c), 16(e), 16(f), and 16(g) hereof.

Section 20. Effect of this Railbox Security Agreement on the Financing Agreements. It is the understanding of the parties hereto that this Railbox Security Agreement is intended



to, and does, modify and amend the terms and conditions of the Financing Agreements. To the extent that any term, condition, covenant, promise, or obligation arising hereunder is inconsistent with any similar term, condition, covenant, promise, or obligation arising under any Financing Agreement, the parties hereto intend and agree that the terms, conditions, covenants, promises, and obligations arising under this Railbox Security Agreement shall, and hereby do, override and control those of such Financing Agreement, and prompt and final performance of any such obligation arising hereunder shall be, and hereby is, sufficient performance of any similar but overridden obligation arising under or through any applicable Financing Agreement. The parties hereto further agree that to the extent any covenant or obligation arising hereunder does not conflict and is not inconsistent with any obligation or covenant arising under or through any Financing Agreement, including, without limitation, the rights of an Owner-Trustee to pay the total outstanding CSA Indebtedness (as such term is defined in the Conditional Sale Agreement to which such Owner-Trustee is a party) pursuant to the provisions of such Conditional Sale Agreement, any such covenant or obligation shall be deemed to be and is in addition to all the conditions, covenants, and obligations contained in the Financing Agreements. Except with respect to the subordination and suspension of rights, powers and remedies set forth in Section 3 of this Railbox Security Agreement, nothing contained in this Railbox Security

Agreement shall affect any right, remedy, or power of any Owner-Trustee pursuant to any Lease to which it is a party pursuant to Sections 10 and 11 of such Lease, including, without limitation, the right to terminate such Lease and obtain the return of the units of Leased Equipment subject to such Lease.

21. Obligations of Railbox and Trailer Train not Affected by Remedies. No retaking of possession of the Leased Equipment, the Collateral, or any part thereof by the Owners, Owner-Trustees, or the Owner Nominee or any withdrawal, lease, or sale thereof or of the Pledged Securities, nor any action or failure or omission to act against Railbox or Trailer Train or in respect of the Pledged Securities, the Leased Equipment, or the the Collateral on the part of the Owners, Owner-Trustees, or the Owner Nominee nor any delay or indulgence granted to Railbox or Trailer Train by any Owner, Owner-Trustee, or the Owner Nominee, shall affect the rights and remedies of the Owners, Owner-Trustees, or the Owner Nominee or the obligations of Railbox or Trailer Train hereunder, under the Override and Security Agreement, under the Ancillary Agreements, under the Financing Agreements, under any other agreement contemplated hereby or thereby, or otherwise.

22. Obligations of Trailer Train Unaffected by Certain Events. The obligations of Trailer Train hereunder shall remain in full force and effect without regard to, and shall not be impaired by (i) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation, or other

similar event affecting the rights of debtors and creditors of Trailer Train or any Issuer of any of the Pledged Securities or (ii) any exercise or non-exercise, or any waiver by any ETC Trustee, Agent, Owner, or Owner-Trustee or the Lender Trustee as agent for the ETC Trustees and Agents or as the holder of the Railbox Certificates of any right, remedy, power, or privilege under or in respect of, or any amendment to or modification of, any Railbox Certificate, the Override and Security Agreement, this Railbox Security Agreement, any other Ancillary Agreement, any Financing Agreement, any other agreement contemplated hereby or thereby, or otherwise or the grant or release of any security for any Railbox Certificate whether or not Trailer Train shall have notice or knowledge of any of the foregoing.

23. Railbox to Deliver Collateral to the Owners and Owner-Trustees. In case a Default Event shall have occurred and be continuing after the Termination Date and the Owner Nominee shall demand possession of any of the Collateral, Railbox shall, as soon as possible and at its own expense, deliver or cause to be delivered such Collateral to the Owners and the Owner-Trustees, or the Owner Nominee, at a place or places reasonably determined by them or it. The performance of the foregoing covenant is of the essence of this Railbox Security Agreement, and upon application to any court having jurisdiction, the Owners and Owner-Trustees, or the Owner Nominee, shall be entitled to a decree against Railbox requiring specific performance.

24. Remedies Cumulative and Subject to Mandatory Requirements of Law. Subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this Railbox Security Agreement, the rights, powers and remedies in this Railbox Security Agreement provided in favor of the Owners, Owner-Trustees, the Owner Nominee, or any of them, shall not be exclusive, and shall be in addition to all other rights, powers, privileges, and remedies in their favor existing hereunder, under any other Ancillary Agreement, under the Override and Security Agreement, under any Financing Agreement, under any other agreement contemplated hereby or thereby, or otherwise existing at law or in equity, or otherwise; provided, however, that such remedies so provided in this Railbox Security Agreement shall be subject in all respects to any mandatory requirements of law at the time applicable thereto, to the extent such requirements may not be waived on the part of Railbox or Trailer Train.

25. Subordination and Releases.

25.01 Tax Indemnity Subordination. Notwithstanding anything to the contrary contained in Paragraph 9 of each Participation Agreement, the parties hereto, for the sole and exclusive benefit of the ETC Trustees, the Agents, and the Lender Trustee as agent for the ETC Trustees and the Agents and as the holder of the Railbox Certificates, agree that:

(a) the rights of the ETC Trustees, the Agents, and the Lender Trustee as agent for the ETC Trustees and the

Agents and as the holder of the Railbox Certificates to receive payments from Railbox pursuant to the provisions of the Override and Security Agreement and the Debt Payment Agreement, the rights of the Lender Trustee as the holder of the Railbox Certificates to receive payments from Trailer Train and the Owners pursuant to the provisions of the Railbox Lender Participation and Trust Agreement and the rights of Railbox to receive the proceeds of loans made by the Owners pursuant to the provisions of the Revolving Credit Agreement shall be superior and prior in right to the rights of each Owner to receive payments from Railbox pursuant to the provisions of Paragraph 9 of the Participation Agreement to which such Owner is a party including, but not limited to, adjusted rentals, lump sum payments, and interest payments;

(b) upon any distribution of assets of Railbox or upon any dissolution, winding up, liquidation, reorganization, recapitalization, or readjustment of Railbox or its securities (whether in bankruptcy, insolvency, receivership, or foreclosure proceedings, upon an assignment for the benefit of creditors, as a result of any other arrangement for the marshalling of the assets and liabilities of Railbox, or otherwise) (i) the ETC Trustees, the Agents, and the Lender Trustee as agent for the ETC Trustees and the Agents and as the holder of the Railbox Certificates shall first be entitled to receive payment in full, or have provision satisfactory to them or it made for payment in full, of

the principal, interest, attorneys' fees, and any other amounts due in respect of the Railbox Certificates (including interest thereon accruing after the commencement of any such proceedings) before any Owner shall be entitled to receive any payment or distribution in respect of any amount due and payable to such Owner pursuant to the provisions of Paragraph 9 of the Participation Agreement to which such Owner is a party and (ii) any payment or distribution of assets of Railbox of any kind or character, whether in cash, securities, or other property, to which such Owner would be entitled but for the provisions of this Section 25.01, shall be paid by any trustee or other Person making such payment or distribution directly to the Lender Trustee as agent for the ETC Trustees and the Agents or as the holder of the Railbox Certificates to the extent necessary to make payment in full of all Railbox Certificates remaining unpaid; and

(c) should any payment or distribution be received or collected by any Owner for or on account of payments to be made pursuant to the provisions of Paragraph 9 of the Participation Agreement to which such Owner is a party or should such Owner receive or collect any payment from any Person who may be liable for or upon any such obligation, whether in the capacity of guarantor or otherwise, whether in cash, securities, or other property, which such Owner is not entitled to retain under the provisions of this Section 25.01, such Owner will immediately

deliver such amounts or property to the Lender Trustee as the holder of the Railbox Certificates for application on account of the Railbox Certificates, in precisely the form received by such Owner and such Owner agrees that until so delivered, any such amount or property shall be deemed received by such Owner as agent for the Lender Trustee (as agent for the ETC Trustees and the Agents and as the holder of the Railbox Certificates) and shall be held in trust by such Owner as the property of the ETC Trustees, and the Agents, and the Lender Trustee as the holder of the Railbox Certificates, and in the event of the failure of such Owner to endorse any instrument for the payment of money so received by such Owner payable to the order of such Owner, the Lender Trustee (as agent for the ETC Trustees and the Agents) is hereby irrevocably constituted and appointed attorney-in-fact for such Owner with full power of substitution to make any such endorsement, such appointment being coupled with an interest and irrevocable without the prior written consent of the Lender Trustee as agent for the ETC Trustees and the Agents.

26. Delay or Omission Not Waiver. No delay or omission of the Owners, Owner-Trustees, or the Owner Nominee, or of any Owner, Owner-Trustee or Owner Nominee to exercise any right, power, privilege, or remedy accruing upon any Default Event shall impair any such right, power, privilege, or remedy or constitute a waiver of any such Default Event or an acquiescence therein. Subject to the subordination and suspension of rights, powers, and remedies set forth in Section 3 of this Railbox

Security Agreement, every right, power, privilege, and remedy given hereby to the Owners, Owner-Trustees, and the Owner Nominee may be exercised from time to time and as often as may be deemed expedient by such Person.

27. Expenses, Fees, and Indemnity. (a) Railbox agrees to pay or reimburse the Owners, Owner-Trustees, and the Owner Nominee for all their reasonable fees, costs, and expenses incurred in connection with the performance and enforcement of, and the preparation and execution of any amendment, supplement, or modification to this Railbox Security Agreement, the Override and Security Agreement, the other Ancillary Agreements, and the Financing Agreements, including, without limitation, reasonable fees and disbursements of any designees of the Owners, Owner-Trustees, the Owner Nominee, their or its counsel, and their or its consultants. Railbox also agrees to pay any and all recording and filing fees or taxes which may be payable or determined to be payable in connection with the execution and delivery of this Railbox Security Agreement and any amendment, supplement, or modification to, and any waiver or consent under or in respect of, this Railbox Security Agreement, the Override and Security Agreement, and the Ancillary Agreements.

(b) Railbox and Trailer Train each agrees to pay, indemnify, and hold the Owner Nominee, the Owners, and Owner-Trustees harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments,



suits, costs, expenses (including, without limitation, fees and disbursements of attorneys, accountants, and other skilled persons), or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance, or exercise of the rights, powers, privileges, and remedies under this Railbox Security Agreement, under the Override and Security Agreement, under any other Ancillary Agreement, under the Financing Agreements, under any other agreement contemplated hereby or thereby, or otherwise, unless arising from the gross negligence or wilful misconduct of any such Person seeking indemnification.

28. Termination of this Railbox Security Agreement and the Security Interest. Upon payment in full of the Railbox-Owner Obligations and subject to the provisions of Sections 18 and 19 hereof, the security interests granted herein shall terminate and this Railbox Security Agreement shall terminate. Upon such termination, the Owners and Owner-Trustees will, at the expense of Railbox and Trailer Train, as may be applicable, execute and deliver to Railbox and Trailer Train such documents as Railbox and Trailer Train shall reasonably request to evidence such termination. Notwithstanding the foregoing, if at any time, all or part of any payment made by Railbox to an Owner or Owner-Trustee or the Owner Nominee in respect of the Railbox-Owner Obligations is rescinded or otherwise must be returned to Railbox or any other Person for any reason whatsoever (including, without limitation, the insolvency, bankruptcy, or reorganization of Railbox, Trailer Train, or any other Person), the Liens granted

hereunder and all rights, remedies, and interests of the Owner Nominee as agent for the Owners and Owner-Trustees, the Owners, and Owner-Trustees pursuant hereto shall be reinstated, all as though such payment had not been made, and Railbox and Trailer Train shall execute and deliver, at their own expense, all documents and instruments necessary or appropriate to reperfect and reinstate the Liens so terminated.

29. Further Assurances. Trailer Train hereby agrees to execute and deliver, at its own expense and from time to time, any and all further or other instruments, and to perform such acts, as the Owners and Owner-Trustees, or the Owner Nominee, may reasonably request to effect the purposes of this Railbox Security Agreement and to secure to the Owners and Owner-Trustees the benefits of all rights, powers, privileges, and remedies conferred upon the Owners, the Owner-Trustees, and the Owner Nominee by the terms of this Railbox Security Agreement. In the event that at any time hereafter, due to any change in circumstances, including, without limitation, any change in any applicable law, or any decision hereafter made by a court construing any applicable law, it is, in the opinion of counsel for the Owners, Owner-Trustees, or the Owner Nominee, necessary or desirable to file or record this Railbox Security Agreement or any financing statement or other instrument or document in respect of this Railbox Security Agreement or the pledge of the Pledged Securities by Trailer Train made hereunder, Trailer Train and Railbox agree to pay all fees, costs, and expenses of such recording or filing and to

execute and deliver any instrument that may be necessary or appropriate to make such filing or recording effective. In order to permit Trailer Train to exercise powers of voting and consent, the Owners and Owner-Trustees, or the Owner Nominee, shall, if necessary, upon the written request of Trailer Train from time to time, execute and deliver to Trailer Train appropriate proxies and payment orders, and in order to permit the Owner Nominee to receive all distributions to which it is entitled under Section 15 hereof, Trailer Train shall, if necessary, upon the written request of the Owner Nominee, from time to time, execute and deliver to the Owner Nominee, appropriate payment orders.

30. Control by the Owners.

(a) Unless expressly otherwise provided herein, the Owners holding a majority in the aggregate of the Railbox-Owner Obligations arising solely from the Owner Payment Balance, Deferred Current Owner Rent and Deferred Owner Rent, by an instrument or instrument in writing executed and delivered to the Owner-Trustees or the Owner Nominee, as may be applicable, shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Owner-Trustees or the Owner Nominee, hereunder, under the Override and Security Agreement, under the Ancillary Agreements, or otherwise, including, without limitation, the right to file a proceeding in the name of each of the Owners and Owner-Trustees, or exercising any trust or power conferred on the Owner-Trustees or the Owner Nominee,

including, without limitation, directing the Owner-Trustees or the Owner Nominee to exercise each of their rights, powers, and remedies under this Railbox Security Agreement, under the Override and Security Agreement, or under the other Ancillary Agreements; provided, however, that the Owner-Trustees and/or the Owner Nominee shall have the right to decline to follow any such direction if the Owner-Trustees or the Owner Nominee (i) shall be advised by counsel that the action so directed may not lawfully be taken or (ii) may involve them in personal liability as to which the Owners have not agreed fully to indemnify the Owner-Trustees or the Owner Nominee, as may be applicable. The Owner-Trustees or the Owner Nominee may take any other action deemed proper by the Owner-Trustees or the Owner Nominee, as the case may be, which is not inconsistent with any such direction hereunder.

(b) The Owner Nominee shall be appointed (i) by the Owners holding a majority in the aggregate of the Railbox-Owner Obligations arising solely from the Owner Payment Balance, Deferred Current Owner Rent and Deferred Owner Rent, and (ii) on or before (or as soon thereafter as is practicable) the occurrence of one or more of the events or transactions requiring the Owner Nominee hereunder to act, perform, hold, or take possession. Any right, remedy, power, or privilege of the Owners and Owner-Trustees set forth herein with respect to the Collateral, the Pledged Securities, or the Proceeds may be exercised by the Owner Nominee upon the direction of the Owners holding at the time of making

such direction a majority in the aggregate of the Railbox-Owner Obligations arising solely from the Owner Payment Balance, Deferred Current Owner Rent and Deferred Owner Rent.

(c) Except as expressly otherwise provided herein, in the Override and Security Agreement or in the other Ancillary Agreements, nothing contained in this Section 30 shall effect any Owner's right of direction and control of its Owner-Trustee pursuant to the provisions of the Financing Agreements to which such Owner and Owner-Trustee are parties.

(d) Railbox hereby agrees to pay or reimburse the Owners, Owner-Trustees, and the Owner Nominee for all expenses, fees and costs incurred (i) by the Owners and Owner-Trustees in the creation and direction of the Owner Nominee and (ii) by the Owner Nominee in the performance and enforcement of the terms and provisions of this Railbox Security Agreement, the Override and Security Agreement, the other Ancillary Agreements, or otherwise, including, without limitation, reasonable fees and disbursements of any designees of the Owners, Owner-Trustees, or the Owner Nominee, their counsel, and their consultants. Railbox shall pay or reimburse such expenses, fees, and costs on the later of (i) the Termination Date or (ii) the time when such expenses, fees, and costs are incurred.

31. Assignment of Collateral. Railbox and Trailer Train consent to the transfer, assignment, and delivery of any and all interests of the Lender Trustee, the ETC Trustees, the Agents,

and any other Person in and to the Collateral, Pledged Securities, and the Proceeds, including, without limitation, all collateral, documents, instruments, papers, leases or proceeds to be delivered by the Lender Trustee as agent for the ETC Trustees and the Agents to the Owner Nominee, pursuant to the Override and Security Agreement, any Ancillary Agreement, any other agreement contemplated hereby or thereby, or otherwise, including, without limitation, the assignment of the documentation and proceeds of the cash collateral account referred to in subsection 8.04(c) of the Override and Security Agreement, to the Owners, Owner-Trustees and the Owner Nominee pursuant to the provisions of this Railbox Security Agreement, the Override and Security Agreement, and the other Ancillary Agreements.

32. Application of Payments and Proceeds. On and after the Termination Date, subject to the provisions of Sections 16 and 19 of this Railbox Security Agreement, all payments and proceeds received and retained by the Owners and Owner-Trustees hereunder shall first be applied to the principal portion of the Railbox-Owner Obligations to which such payment or proceeds are being applied pursuant to Sections 16 and 19 hereunder and next to interest then due on the portion of the Railbox-Owner Obligations to which such payment or proceeds are being applied pursuant to the provisions of Sections 16 and 19 hereunder.

33. Release. Subject to the provisions in the following sentence, the Owner-Trustees each release, as of the Closing

Override and Security Agreement, in the case of Railbox, and this Railbox Security Agreement, the Railbox Lender Participation and Trust Agreement, the Override and Security Agreement, and the Stock Pledge Agreement, in the case of Trailer Train; and (C) Trailer Train shall comply with the terms and perform its obligations under this Railbox Security Agreement, the Railbox Lender Participation and Trust Agreement, the Override and Security Agreement, and the Stock Pledge Agreement. The failure of the foregoing conditions to be satisfied may be demonstrated at any time, and the delay of any Person in so demonstrating such failure shall not constitute a waiver of any such condition. In addition, this release, with respect to any TTX Holder is subject to the following: Such TTX Holder, any Affiliate thereof, or any of their respective assignees does not collect, commence any action or proceeding, or exercise any right of setoff, in respect of any claim such Person may have against Railbox arising from or as a result of such TTX Holder's guaranty of any obligation of Railbox; provided, however, that the release of such TTX Holder shall not be affected by its failure at any time or from time to time to comply with this condition in any one or combination of the following circumstances: (i) if such Person commences any such action or proceeding and such action or proceeding is terminated or dismissed prior to the entry of any judgment adverse to Railbox, and Trailer Train fully reimburses Railbox for any amounts collected by such Person from Railbox and all fees, costs, and expenses incurred by Railbox in connection therewith, within thirty days after the collection or incurrence

thereof, (ii) if such Person commences any such action or proceeding and such action or proceeding is terminated or dismissed prior to the entry of any judgment adverse to Railbox, and Trailer Train fully reimburses Railbox for any amounts collected by such Person from Railbox as a result or arising out of such action or proceeding, and all fees, costs, and expenses incurred by Railbox in connection therewith, within thirty days after the incurrence thereof, or (iii) if such Person exercises any such right of setoff and Trailer Train reimburses Railbox within thirty days after the exercise of such right, in an amount equal to the amount realized by such Person as a result of the exercise of such right of setoff against Railbox.

34. Severability. If any of the provisions of this Railbox Security Agreement or the application hereof to any Person or circumstance shall, to any extent, be invalid or unenforceable, then the remainder of this Railbox Security Agreement or the application of such provision to Persons or circumstances other than those as to whom or which it is held invalid or unenforceable shall not be affected thereby, and every provision of this Railbox Security Agreement shall be valid and enforceable to the fullest extent permitted by law.

35. Notices. Copies of all notices required or desired hereunder shall be sent to all other parties hereto. All notices, copies and other communications required or desired hereunder shall be in writing and shall be deemed to have been duly given (a) three Business Days after the same shall have been mailed by certified or registered mail, return receipt requested,



or (b) when personally delivered with receipt acknowledged in writing by such party, in each case, to the parties hereto at the address set forth opposite the name of such party on Exhibit B hereto or at such other address as such party may from time to time designate by notice to the other parties hereto.

36. Binding upon Assigns. The parties' rights and obligations under this Railbox Security Agreement are not assignable by either Railbox or Trailer Train, but are assignable by the other parties hereto. This Railbox Security Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of the parties hereto.

37. Section Headings. The section headings contained herein are for convenience only and shall not affect the construction hereof.

38. Miscellaneous. This Railbox Security Agreement (i) may not be amended or modified, nor may any provision hereof be waived, except by written agreement, signed by (A) the parties hereto and, (B) if such amendment, modification, or waiver affects the rights of the Lender Trustee as agent for the ETC Trustees and Agents and if such amendment, modification, or waiver is effected or is to become effective prior to the Termination Date, the Lender Trustee as agent for the ETC Trustees and Agents, nor shall any waiver be applicable except in the specific instance for which it is given, (ii) shall be governed by and construed in accordance with the laws of the State of New York, (iii) may be executed in multiple counterparts, each of which shall constitute an original, and all of which shall constitute but one and the same agreement, and (iv) together with the other

Ancillary Agreements, the Override and Security Agreement, and the Financing Agreements and all Exhibits and Schedules hereto and thereto constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. In the event of any inconsistency between this Railbox Security Agreement and any of the Financing Agreements, the provisions of this Railbox Security Agreement shall govern.

39. Payments in Immediately Available Funds. Any payment required to be made hereunder by any party hereto to any other party hereto shall be made in immediately available funds in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts.

IN WITNESS WHEREOF, the parties hereto have executed this Railbox Security Agreement as of the date first above written.

RAILBOX COMPANY

BY: RC Bunting

TRAILER TRAIN COMPANY

BY: \_\_\_\_\_

CROCKER NATIONAL BANK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

BANK OF HAWAII

[Seal]

Attest

By: \_\_\_\_\_

By: \_\_\_\_\_

Ancillary Agreements, the Override and Security Agreement, and the Financing Agreements and all Exhibits and Schedules hereto and thereto constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. In the event of any inconsistency between this Railbox Security Agreement and any of the Financing Agreements, the provisions of this Railbox Security Agreement shall govern.

39. Payments in Immediately Available Funds. Any payment required to be made hereunder by any party hereto to any other party hereto shall be made in immediately available funds in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts.

IN WITNESS WHEREOF, the parties hereto have executed this Railbox Security Agreement as of the date first above written.

RAILBOX COMPANY

BY: \_\_\_\_\_

TRAILER TRAIN COMPANY

BY: RC Butcher

CROCKER NATIONAL BANK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

BANK OF HAWAII

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

Ancillary Agreements, the Override and Security Agreement, and the Financing Agreements and all Exhibits and Schedules hereto and thereto constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. In the event of any inconsistency between this Railbox Security Agreement and any of the Financing Agreements, the provisions of this Railbox Security Agreement shall govern.

39. Payments in Immediately Available Funds. Any payment required to be made hereunder by any party hereto to any other party hereto shall be made in immediately available funds in such coin or currency of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts.

IN WITNESS WHEREOF, the parties hereto have executed this Railbox Security Agreement as of the date first above written.

RAILBOX COMPANY

BY: \_\_\_\_\_

TRAILER TRAIN COMPANY

BY: \_\_\_\_\_

CROCKER NATIONAL BANK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

BANK OF HAWAII

By: \_\_\_\_\_

[Seal]

Attest

By: George E. Ryan

BANK OF NEW YORK

By: OP

[Seal]

Attest

By: \_\_\_\_\_

CALIFORNIA FIRST BANK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

J.P. MORGAN INTERFUNDING CORP.

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

WESTINGHOUSE CREDIT CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

NBS FINANCIAL SERVICES, in its  
own capacity and as transferee  
of the interests of THE METRO-  
POLITAN BANK OF LIMA OHIO

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE WAYNE COUNTY NATIONAL BANK  
OF WOOSTER

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

BANK OF NEW YORK

By: \_\_\_\_\_

X [Seal]

Attest

X By: Margaret C. Caulfield

CALIFORNIA FIRST BANK

By: C. Robert [Signature]

[Seal]

Attest

By: \_\_\_\_\_

J.P. MORGAN INTERFUNDING CORP.

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

WESTINGHOUSE CREDIT CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

NB5 FINANCIAL SERVICES, in its  
own capacity and as transferee  
of the interests of THE METRO-  
POLITAN BANK OF LIMA OHIO

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE WAYNE COUNTY NATIONAL BANK  
OF WOOSTER

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

BANK OF NEW YORK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

CALIFORNIA FIRST BANK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

MARIE D. DUFFY  
Notary Public, State of New York  
No. 01004773904  
Qualified in Nassau County  
Certificate filed in New York County  
Commission Expires Mar. 30, 1996

J.P. MORGAN INTERFUNDING CORP.

By: *Lauren A. Robbins*

[Seal]

Attest

By: \_\_\_\_\_

WESTINGHOUSE CREDIT CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

NBS FINANCIAL SERVICES, in its  
own capacity and as transferee  
of the interests of THE METRO-  
POLITAN BANK OF LIMA OHIO

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE WAYNE COUNTY NATIONAL BANK  
OF WOOSTER

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

BANK OF NEW YORK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

CALIFORNIA FIRST BANK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

J.P. MORGAN INTERFUNDING CORP.

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

WESTINGHOUSE CREDIT CORPORATION

By: James C. [Signature]

Gen. Counsel, [Signature]

Secretary

NB5 FINANCIAL SERVICES, in its  
own capacity and as transferee  
of the interests of THE METRO-  
POLITAN BANK OF LIMA OHIO

[Seal]

Attest

By: \_\_\_\_\_

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE WAYNE COUNTY NATIONAL BANK  
OF WOOSTER

By: \_\_\_\_\_



[Seal]

Attest

By: \_\_\_\_\_

BANK OF NEW YORK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

CALIFORNIA FIRST BANK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

J.P. MORGAN INTERFUNDING CORP.

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

WESTINGHOUSE CREDIT CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: Paul J. Stith

NBS FINANCIAL SERVICES, in its  
own capacity and as transferee  
of the interests of THE METRO-  
POLITAN BANK OF LIMA OHIO

By: Robert L. Stith

[Seal]

Attest

By: Brenda Sigler

PAUL J. STITH  
NOTARY PUBLIC - STATE OF OHIO  
MY COMMISSION EXPIRES MARCH 23, 1983

THE WAYNE COUNTY NATIONAL BANK  
OF WOOSTER

By: Paul G. Fisher  
Pres. C.F.O.

BRENDA SIGLER  
Notary Public, State of Ohio  
My Commission Expires Mar. 22, 1986

[Seal]

Attest

By: John H. Shea

[Seal]

Attest

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE FIFTH THIRD BANK

By: Tom Bohmstedt V.P.

BORG-WARNER LEASING CORPORATION

By: \_\_\_\_\_

LICC CORPORATION

By: \_\_\_\_\_

GENERAL ELECTRIC CREDIT CORPORATION

By: \_\_\_\_\_

THE OLD PHOENIX NATIONAL BANK  
OF MEDINA

By: \_\_\_\_\_

THE FIRST NATIONAL BANK AND TRUST  
COMPANY OF HAMILTON

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE FIFTH THIRD BANK

By: \_\_\_\_\_

[Seal]

Attest

By: Thomas F. L. Pate  
SECRETARY

BORG-WARNER LEASING CORPORATION

By: W. K. [Signature]

[Seal]

Attest

By: \_\_\_\_\_

LICC CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

GENERAL ELECTRIC CREDIT CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE OLD PHOENIX NATIONAL BANK  
OF MEDINA

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE FIRST NATIONAL BANK AND TRUST  
COMPANY OF HAMILTON

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE FIFTH THIRD BANK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

BORG-WARNER LEASING CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: Janet Sires  
Janet Sires  
Notary Public

My Commission Expires March 31, 1989.

[Seal]

Attest

By: \_\_\_\_\_

~~LITTON CORPORATION~~

LITTON EQUITY INVESTMENTS, INC.

By: John P. Edel

VICE PRESIDENT

GENERAL ELECTRIC CREDIT CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE OLD PHOENIX NATIONAL BANK  
OF MEDINA

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE FIRST NATIONAL BANK AND TRUST  
COMPANY OF HAMILTON

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE FIFTH THIRD BANK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

BORG-WARNER LEASING CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

LICC CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: *Susan T. McManis*

GENERAL ELECTRIC CREDIT CORPORATION

By: *Herman W. Gerte*  
HERMAN W. GERTE  
Manager - Special Projects

[Seal]

Attest

By: \_\_\_\_\_

THE OLD PHOENIX NATIONAL BANK  
OF MEDINA

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE FIRST NATIONAL BANK AND TRUST  
COMPANY OF HAMILTON

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE FIFTH THIRD BANK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

BORG-WARNER LEASING CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

LICC CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

GENERAL ELECTRIC CREDIT CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: *William Henry H. H. H.*

THE OLD PHOENIX NATIONAL BANK  
OF MEDINA

By: *Samuel D. H.*

[Seal]

Attest

By: \_\_\_\_\_

THE FIRST NATIONAL BANK AND TRUST  
COMPANY OF HAMILTON

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE FIFTH THIRD BANK

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

BORG-WARNER LEASING CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

LICC CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

GENERAL ELECTRIC CREDIT CORPORATION

By: \_\_\_\_\_

[Seal]

Attest

By: \_\_\_\_\_

THE OLD PHOENIX NATIONAL BANK  
OF MEDINA

By: \_\_\_\_\_

[Seal]

Attest

By: William L. Beard

THE FIRST NATIONAL BANK AND TRUST

COMPANY OF HAMILTON  
Now by merger First National Bank of  
Southwestern Ohio

By: Robert C. Wilson

FIRST ILLINOIS BANK OF EVANSTON,  
N.A., not in its individual  
capacity but solely as trustee  
under the agreements listed on  
subschedules 2A and 2B hereto

[Seal]

Attest

By: Charles W. Tranel

By: Charles N. Hooker

FIRST SECURITY BANK OF UTAH,  
NATIONAL ASSOCIATION, not in its  
individual capacity but solely  
as trustee under the agreements  
listed on subschedules 2C, 2D,  
and 2E hereto

[Seal]

Attest

By: \_\_\_\_\_

By: \_\_\_\_\_

THE CONNECTICUT BANK AND TRUST  
COMPANY, NATIONAL ASSOCIATION,  
not in its individual capacity  
but solely as trustee under the  
agreements listed on subschedule  
2F hereto

[Seal]

Attest

By: \_\_\_\_\_

By: \_\_\_\_\_

FIRST SECURITY STATE BANK  
not in its individual capacity  
but solely as trustee under the  
agreements listed on subschedule  
2G hereto

[Seal]

Attest

By: \_\_\_\_\_

By: \_\_\_\_\_



[Seal]

By: \_\_\_\_\_

By: \_\_\_\_\_

[Seal]

By: Bandy B. Winkler

By: 11 May 2012

[Seal]

By: \_\_\_\_\_

By: \_\_\_\_\_

[Seal]

By: James J. [illegible]

By: H. Clayton

FIRST ILLINOIS BANK OF EVANSTON,  
N.A., not in its individual  
capacity but solely as trustee  
under the agreements listed on  
subschedules 2A and 2B hereto

[Seal]

Attest

By: \_\_\_\_\_

By: \_\_\_\_\_

FIRST SECURITY BANK OF UTAH,  
NATIONAL ASSOCIATION, not in its  
individual capacity but solely  
as trustee under the agreements  
listed on subschedules 2C, 2D,  
and 2E hereto

[Seal]

Attest

By: \_\_\_\_\_

By: \_\_\_\_\_

THE CONNECTICUT BANK AND TRUST  
COMPANY, NATIONAL ASSOCIATION,  
not in its individual capacity  
but solely as trustee under the  
agreements listed on subschedule  
2F hereto

[Seal]

Attest

By: *Lynda A. [Signature]*

By: *[Signature]*

FIRST SECURITY STATE BANK  
not in its individual capacity  
but solely as trustee under the  
agreements listed on subschedule  
2G hereto

[Seal]

Attest

By: \_\_\_\_\_

By: \_\_\_\_\_

STATE OF ILLINOIS )  
COUNTY OF Cook )

ss.:

On this 28th day of September 1984, before me personally appeared R. C. Burton, Jr., to me personally known, who, being by me duly sworn, says that he is President of TRAILER TRAIN COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its By-Laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

David J. Walsh  
Notary Public

[NOTARIAL SEAL]

My Commission expires

Nov. 17, 1984

STATE OF ILLINOIS )  
COUNTY OF )

ss.:

On this \_\_\_\_ day of \_\_\_\_\_, before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, says that he is \_\_\_\_\_ of RAILBOX COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its By-Laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public

[NOTARIAL SEAL]

My Commission expires

STATE OF ILLINOIS       )  
                                  )  
COUNTY OF                )       ss.:

On this \_\_\_\_ day of \_\_\_\_\_, before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, says that he is \_\_\_\_\_ of TRAILER TRAIN COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its By-Laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public

[NOTARIAL SEAL]

My Commission expires

STATE OF ILLINOIS       )  
                                  )  
COUNTY OF Cook        )       ss.:

On this 28th day of September 1984, before me personally appeared R.C. Burton, Jr., to me personally known, who, being by me duly sworn, says that he is President of RAILBOX COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its By-Laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

David J. Nalsh  
Notary Public

[NOTARIAL SEAL]

My Commission expires

Nov. 17, 1984

STATE OF ILLINOIS       )  
                                  )  
COUNTY OF                )       ss.:

On this \_\_\_\_\_ day of \_\_\_\_\_, before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, says that he is \_\_\_\_\_ of TRAILER TRAIN COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its By-Laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public

[NOTARIAL SEAL]

My Commission expires

STATE OF ILLINOIS       )  
                                  )  
COUNTY OF Cook        )       ss.:

On this 28th day of September 1984, before me personally appeared R.C. Burton, Jr., to me personally known, who, being by me duly sworn, says that he is President of RAILBOX COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its By-Laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

David J. Halach  
Notary Public

[NOTARIAL SEAL]

My Commission expires

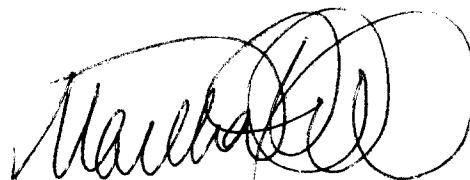
Nov. 17, 1984

State of New York    )  
                              : ss.:  
County of New York    )

CERTIFICATE

The Undersigned Martha J. Rix, a Notary Public in and for Kings County, states that she compared the attached copy of the Railbox Security Agreement dated as of January 1, 1984, without Exhibits or Schedules attached thereto, with the original of such document, and certifies that it is a true and correct copy in all respects.

In Witness Whereof, the undersigned has hereunto affixed her signature and notarial seal this 13th day of November, 1984.



MARTHA J. RIX  
NOTARY PUBLIC, State of New York  
E.O. 21400, 612  
Commission Expires March 30, 1986